



CITY OF SANDY, UTAH

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

YEAR END JUNE 30, 2010

SANDY CITY
10000 Centennial Parkway
Sandy, Utah 84070

Comprehensive Annual Financial Report
For the year ended June 30, 2010

Prepared by:

Department of Finance

Arthur D. Hunter, Director of Finance and Information Services

Glade G. Jardine, Treasurer

Helen R. Kurtz, Controller

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INTRODUCTORY SECTION



December 28, 2010

Honorable Mayor and
Members of the City Council
Sandy City

The Comprehensive Annual Financial Report (CAFR) of Sandy City (the City), for the fiscal year ended June 30, 2010 is submitted herewith. Utah State law requires that first class cities "present to the governing body an annual financial report prepared in conformity with Accounting Principles Generally Accepted in the United States (GAAP), as prescribed in the Uniform Accounting Manual for Utah Cities." This report, which fulfills this requirement, presents a comprehensive financial picture covering all funds and financial transactions for the year.

This CAFR has been prepared by the City's Finance department. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures and supplementary information, rests with the City's management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the City. All disclosures necessary to enable the reader to gain an understanding of the government's financial activities have been included. Likewise, the "Notes to the Financial Statements" are an integral part of this report and should be read for a more complete understanding of the financial statements and information presented.

Management of the City is also responsible for establishing and maintaining an internal control structure designed to ensure the assets of the City are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. The City's internal control structure is designed to provide reasonable, rather than absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of the control should not exceed the benefits likely to be derived and 2) the valuation of costs and benefits requires estimates and judgments by management.

As required by Utah state law, an annual audit has been conducted by independent certified public accountants. The Independent Auditor's Report, as prepared by Piercy Bowler Taylor & Kern, is included in the Financial Section of this report. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended June 30, 2010, are fairly presented in conformity with GAAP.

The City is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act and U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. The standards governing single audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on the administration of federal awards. Information related to this single audit, including the schedule of federal financial assistance, findings and recommendations, and auditor's reports on the internal control structure and compliance with applicable laws and regulations, are published under separate cover.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the Independent Auditor's Report.

Profile of the Government

Sandy City is the fifth largest city in Utah. Located about 13 miles south of Salt Lake City, Sandy has experienced tremendous growth in land area and population during the past thirty years. Annexation of previously unincorporated land has resulted in growth from 6.6 square miles in 1970 to nearly 23 square miles today. Annexations combined with new construction resulted in population growth from 6,438 to over 97,000 today.

Since 1979, the City has operated under the council-mayor form of government. The City Council, comprised of seven elected individuals, is the governing authority for the City. The elected Mayor, with no voting rights on the City Council, has various administrative and veto powers. One of the Mayor's administrative powers is the appointment of the Chief Administrative Officer, Cabinet Officers and various other positions such as the City Treasurer, the City Recorder, and the City Engineer. The City Council establishes City policy, approves the budget, and ratifies the appointment of City Officials. The City Council is authorized to issue bonds, incur short-term debt, levy property taxes, and is not dependent on any other unit of local government.

The City provides the full range of municipal services normally associated with a municipality. In brief, the general governmental functions include police and fire protection, park construction and maintenance, street construction and maintenance, public improvements, engineering, building inspection, planning and zoning, administrative services, recreation services, storm drain system construction and maintenance, and street light system installation and maintenance. The City also operates water, waste collection, and River Oaks Golf Course as enterprise funds. Blended component units, although legally separate entities, are, in substance, part of the primary government's operations and are included as part of the primary government. Accordingly, the Sandy Redevelopment Agency is reported as a special revenue fund and Alta Canyon Recreation Special Service District is reported as an enterprise fund.

Comprehensive annual budgets are an essential element for the City's financial planning and control. Therefore, budgets are adopted annually (required by Utah state law) by the City Council for all funds except debt service funds used to account for special assessments and expendable trust funds which are subject to compensating controls. Utah state law also requires: 1) a balanced budget for each individual fund; however, Redevelopment Agencies are allowed to incur debt prior to the triggering of the tax increment revenue thus allowing an unbalanced budget, 2) department expenditures to conform with departmental appropriations, and 3) individual fund appropriations to be overspent only in "emergencies" (natural disasters). Once the budgets are approved, the City Council may revise the budgets from time to time after following the required procedures. Budget-to-actual comparisons are provided in this report for each individual fund for which an appropriated annual budget has been adopted. For the general fund, storm water fund, and Redevelopment Agency fund, this comparison begins on page 42 as part of the basic financial statements for the governmental funds. For the other governmental funds with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report, which starts on page 87.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

Local Economy. The economic meltdown of 2008 continues to have lingering effects on the national economy. However, Utah has managed to maintain its ground. According to the Utah Department of Workforce Services, Utah's non-farm wage and salaried job count for August 2010, as measured by the United States Bureau of Labor Statistics (BLS), expanded by 1.6 percent over a 12 month period. While the state of Utah operates in what can be considered a mild state of recovery, Sandy City is holding its ground as well.

Much of this success stems from the City's progressive leadership that continues to plan for the future. One of the largest projects the City has undertaken is an update of the Civic Center area. The City is currently working with DDRM Great Place, a private development company, to create a destination platform for the Civic Center Corridor. The overall goal of this group is to help the City identify the constraints and challenges of the area in hopes of tying the major attractions of the City together, including Rio Tinto Stadium, Jordan Commons, the South Towne Exposition Center, and the South Towne Mall. The City is also working with other developers to attract business to the area around the newly opened 114th South interchange. This area may include a national retailer and many other retailers not currently in the local market. In addition, the City recently purchased roughly 10 acres of undeveloped land to the south of City Hall for future planning and development purposes.

In 2010, Sandy City also became home to many commercial and retail businesses. This includes a new headquarters building for the Workers Compensation Fund. The six-story, Class A office building totaling 195,000 square feet opened in June. Other notable businesses include Hobby Lobby, Firehouse Subs, U of U Red Zone, and Expercom, an authorized Apple dealer.

As a result of the City's progressive leadership and sound financial planning, Sandy City continues to maintain one of the lowest property tax rates in the county at .001402 and one of the lowest in the State compared to cities similar in size. Edging closer to the 30 year mark, Sandy City continues its run of not raising property taxes.

Additional information about economic factors can be found on page 31 of MD&A.

Long-Term Financial Planning. Though we are on the heels of two consecutive years of declining revenue as a result of the economic downturn, Sandy City is in an excellent position to move forward as we begin to anticipate emerging from recession.

The City has been fortunate to be able to leverage City dollars with state and federal money to address transportation needs such as widening 7th East and 13th East, the freeway on and off ramps at 114th South, and improvements of the railroad crossing for Front Runner at 100th South. The City has also set aside money to use as a match for a federal grant to improve 106th South east of 13th East. In keeping with the master plan, water infrastructure needs have also been addressed by partially funding the replacement of the Pepperwood Tank, a new well on the Small Canyon property, meter replacement, well equipment, and water line replacement, which will be done without a rate increase. Storm water infrastructure will be improved with various neighborhood projects funded by a rate increase of \$0.35 per month.

Additional funding has been provided for justice court which will help with the increasing number of cases with court appointed counsel and credit card processing fees. Self-contained breathing apparatuses will be purchased for our firefighters. Cell tower lease revenue will be used to hire additional seasonal

help for park maintenance. Funding has also been provided to finish remodeling the pavilion at Bicentennial Park and to purchase equipment and staff for “Movies in the Park”.

The fiscal year 2011 budget includes funding for a performance pay increase of 2 percent for our employees and \$110,000 to pay the increase in public safety retirement rates. The 15 percent increase in health insurance premiums has prompted the City to move employees to health insurance products that qualify as high deductible plans under federal guidelines which qualify employees to establish health savings accounts (HSA). The City is providing a medical and dental allowance for each employee of \$11,000 annually for an employee with a family, \$8,000 for a couple, and \$5,000 if the employee is single. These amounts are sufficient for the employee to buy both medical and dental insurance and have money left over to contribute to an HSA, which the employee can use to pay out of pocket medical expenses tax free.

Relevant financial policies. The City takes pride in maintaining its pay-as-you-go strategy along with reasonable long-term financing to keep the debt burden low. Sandy City seeks the most practical and cost-efficient financing available. Following this policy has allowed the City to maintain a “AA+” bond rating for sales tax revenue bonds, “AA” for general obligation bonds, and “AAA” for motor fuel excise tax revenue bonds. For further information on long-term liabilities, please refer to page 30 in MD&A and page 65 in the notes to the financial statements.

Sandy City is funded through two categories of revenue: taxes and fees. While taxes pay for services provided to the general public, fees are intended to pay for all or part of the costs incurred to provide services to specific groups of citizens. The City is committed to: 1) estimate revenues conservatively; 2) minimize the use of one-time revenue to fund ongoing services; 3) aggressively collect all revenue or taxes due; 4) review user fees, impact fees, license and permit fees, and special assessments annually; 5) waive or defer fees only in accordance with the administrative appeal procedure under standards set by the City Council; and 6) seek to maintain a stable tax rate.

Major initiatives. As we prepare for the future, City administration is committed to: 1) maintain and improve basic core municipal services; 2) maintain integrity of residential neighborhoods and preserve property values; 3) preserve and improve public infrastructure and transportation systems; 4) preserve existing and expand additional retail and clean commercial businesses; 5) develop and improve the City’s recreational trails and increase recreational opportunities; 6) develop and maintain community facilities; 7) strengthen communications with citizens, businesses, and other institutions; and 8) maintain a highly qualified employee workforce. These initiatives are reflected in the fiscal year 2011 budget.

The future of Sandy will be largely determined by how well we manage and encourage the right development, particularly those that become an important part of our economic engine. The City is focusing on four such projects: 1) the Meridian project on Centennial Parkway, 2) the “super block” around Rio Tinto Stadium, 3) the transit-oriented development around the 100th South Trax station, and 4) the property just north of 114th South between the freeway and State Street. The RDA budget has the funding to support these projects.

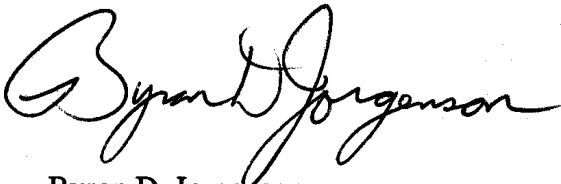
Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2009. This was the twenty-third consecutive year the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized CAFR. This report must satisfy both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current CAFR continues to meet the Certificate of Achievement Program requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

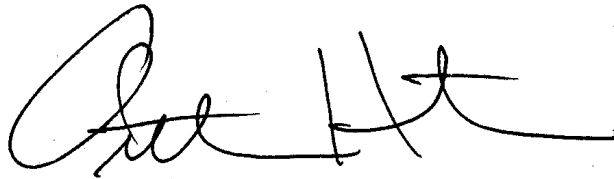
The City also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for fiscal year 2010. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device. This is the sixth consecutive year the City has received this esteemed award.

The preparation of the CAFR on a timely basis was made possible by the dedicated service of the entire staff of the Finance department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. In closing, without the leadership and support of the governing body of Sandy City, preparation of this report would not have been possible.

Respectfully Submitted,



**Byron D. Jorgenson,
City Administrator**



**Arthur D. Hunter,
Finance and Information
Services Director**

SANDY CITY

Elected Officials

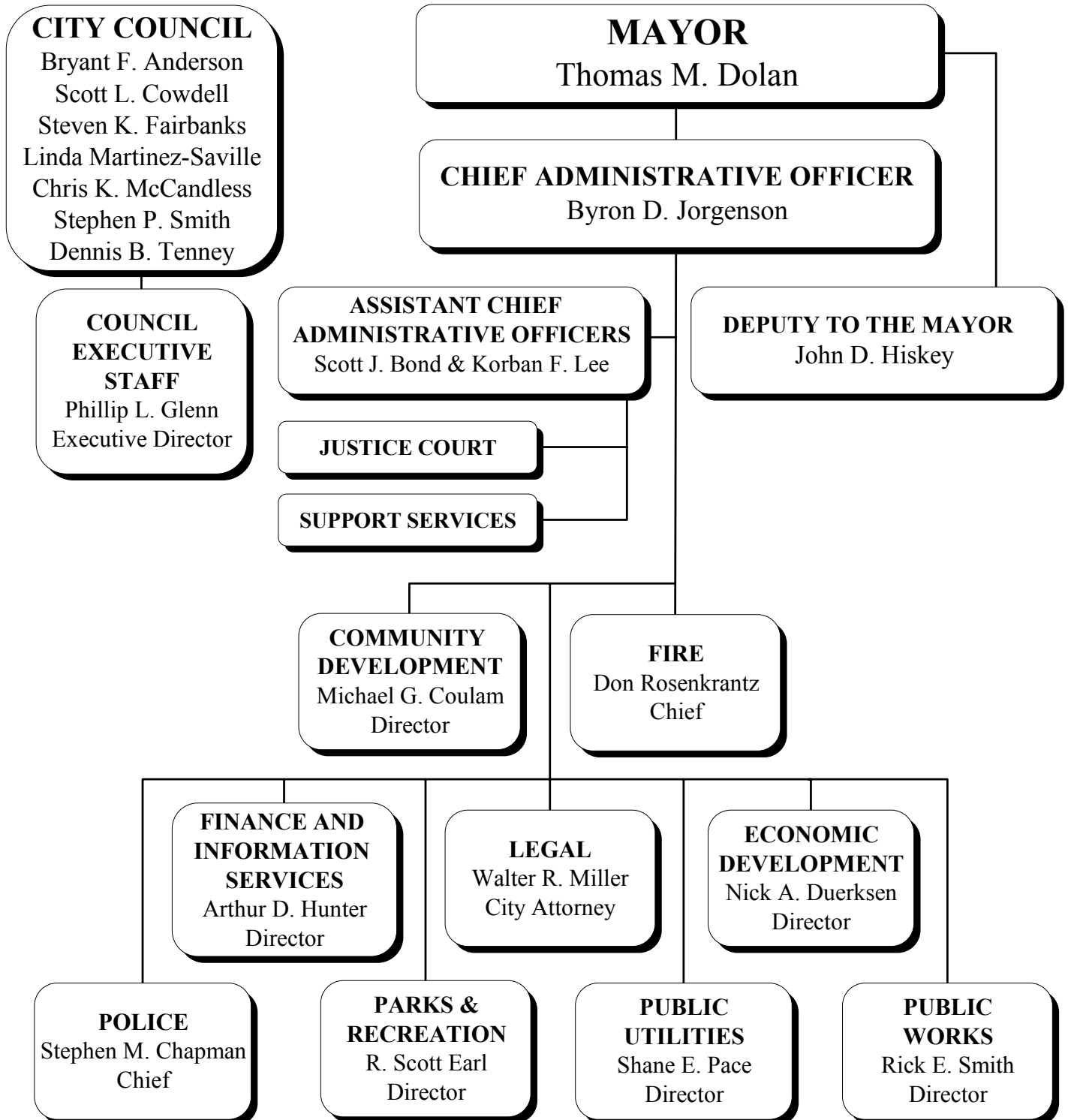
Mayor Thomas M. Dolan
City Council - At Large Linda Martinez-Saville
City Council - At Large Steven K. Fairbanks
City Council - At Large Stephen P. Smith
City Council - District 1 Scott L. Cowdell
City Council - District 2 Dennis B. Tenney
City Council - District 3 Bryant F. Anderson
City Council - District 4 Christopher K. McCandless

Appointed Officials

Chief Administrative Officer Byron D. Jorgenson
Assistant Chief Administrative Officer Scott J. Bond
Assistant Chief Administrative Officer Korban F. Lee
Deputy to the Mayor John D. Hiskey
City Attorney Walter R. Miller
Finance and Information Services Director Arthur D. Hunter
Chief of Police Stephen M. Chapman
Fire Chief Don Rosenkrantz
Public Works Director Rick E. Smith
Public Utilities Director Shane E. Pace
Parks and Recreation Director R. Scott Earl
Community Development Director Michael G. Coulam
Economic Development Director Nick A. Duerksen

Sandy City Organizational Structure

CITIZENS OF SANDY



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Sandy City
Utah

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

FINANCIAL SECTION

P B T K

**PIERCY BOWLER
TAYLOR & KERN**

Certified Public Accountants
Business Advisors

INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

Honorable Mayor, City Council and Management
Sandy City, Utah

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Sandy City, Utah (the City) as of June 30, 2010 and for the year then ended, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City, as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund, the storm water fund and the redevelopment agency fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2010, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis, and the schedule of roadway system condition and maintenance, on pages 19 through 32 and 83, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information, and therefore, express no opinion on it.

Our audit was made for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, supplementary information, as listed in the table of contents and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information including the combining and individual nonmajor fund financial statements and budgetary comparison and capital asset schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly presented in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Piercy Bowler Taylor & Kern

December 28, 2010

Management's Discussion and Analysis

As management of Sandy City, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2010. We encourage readers to consider the information presented here in conjunction with additional information we have furnished in our letter of transmittal, which starts on page 7 of this report.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of fiscal year 2010 by \$525,121,882 (net assets). Of this amount, \$57,362,081 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets increased \$7,122,682. Of this increase, 52.7 percent is attributable to governmental activities. Business-type activities provided a \$3,367,649 increase to the City's net assets. Overall, the increase is largely due to the addition of capital assets.
- As of the close of fiscal year 2010, the City's governmental funds reported combined ending fund balances of \$35,785,457, a decrease of \$3,383,329 in comparison with fiscal year 2009.
- At the end of fiscal year 2010, unreserved fund balance of the general fund was \$5,075,335, or 12.5 percent of total general fund expenditures.
- The City's total long-term obligations increased \$1,270,706 (1.2 percent) during fiscal year 2010 as a result of issuing the 2010 Sales Tax Revenue and Refunding bonds (\$7,070,000) and the 2009 Sales Tax Revenue bonds (\$7,140,000).

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements: The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, highways and streets, storm water, electric utility, economic development, parks (including landscapes and cemeteries), and culture and recreation. The business-type activities of the City include water, waste collection, River Oaks Golf Course, and Alta Canyon Sports Center.

Although Alta Canyon Sports Center is a legally separate entity from the City (known as the primary government), the Sports Center provides services which almost exclusively benefit the City. Alta Canyon functions for all practical purposes as a department of the City, and therefore has been included as an integral part of the primary government (see more information about the Sports Center on page 48).

The government-wide financial statements can be found on pages 34-37 of this report.

Fund financial statements: A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar

information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains twelve individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the debt service fund, the capital projects fund, the storm water fund, and the Redevelopment Agency fund, all of which are considered to be major funds. Data from the other seven funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* starting on page 90.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 38-44 of this report.

Proprietary funds. The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water utility, waste services, Alta Canyon Sports Center, and River Oaks Golf Course. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its fleet of vehicles, information services, risk management, payroll management, and equipment management. Because all of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water utility, waste services, Alta Canyon Sports Center, and River Oaks Golf Course, all of which are considered to be major funds of the City. Conversely, internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 45-47 of this report.

Notes to the financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 48-80 of this report.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the modified approach for infrastructure. Required supplementary information begins on page 81 of this report.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 86-115 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Sandy City, assets exceeded liabilities by \$525,121,882 at the close of fiscal year 2010.

By far the largest portion of the City's net assets (87.9 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

SANDY CITY

Summary of Net Assets

For the Year Ended June 30, 2010

	Governmental		Business-Type		Total	
	2010	2009	2010	2009	2010	2009
Current and other assets	\$ 63,304,699	\$ 67,544,956	\$ 22,700,690	\$ 22,904,835	\$ 86,005,389	\$ 90,449,791
Capital assets	442,062,254	432,339,926	124,453,698	121,858,161	566,515,952	554,198,087
Total assets	505,366,953	499,884,882	147,154,388	144,762,996	652,521,341	644,647,878
Long-term liabilities outstanding	84,689,964	80,069,681	22,807,108	22,763,350	107,497,072	102,833,031
Other liabilities	16,597,111	19,490,357	3,305,275	4,325,290	19,902,386	23,815,647
Total liabilities	101,287,075	99,560,038	26,112,383	27,088,640	127,399,458	126,648,678
Net assets:						
Invested in capital assets, net of related debt	360,090,012	352,803,926	101,588,419	98,077,342	461,678,431	450,881,268
Restricted	6,081,370	9,195,548	-0-	-0-	6,081,370	9,195,548
Unrestricted	37,908,495	38,325,370	19,453,586	19,597,014	57,362,081	57,922,384
Total net assets	<u>\$ 404,079,877</u>	<u>\$ 400,324,844</u>	<u>\$ 121,042,005</u>	<u>\$ 117,674,356</u>	<u>\$ 525,121,882</u>	<u>\$ 517,999,200</u>

An additional portion of the City's net assets (1.2 percent) represents resources that are subject to external restrictions on how they may be used, all of which is from governmental activities. The remaining balance of *unrestricted net assets* (\$57,362,081) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of fiscal year 2010, the City is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

Restricted net assets for governmental activities decreased 33.9 percent (\$3,114,178) during fiscal year 2010. Capital projects expenditures funded in prior fiscal years account for a decrease of \$2,976,384 while the retirement of the 2000 Motor Fuel Excise Tax Revenue bonds released its debt service reserve deposit (\$707,500).

SANDY CITY
Change in Net Assets
For the Year Ended June 30, 2010

	Governmental		Business-Type		Total	
	2010	2009	2010	2009	2010	2009
Revenues						
Program Revenues:						
Charges for Services	\$ 17,642,532	\$ 18,636,953	\$ 25,484,099	\$ 37,448,727	\$ 43,126,631	\$ 56,085,680
Operating Grants and Contributions	3,506,589	4,398,829	-0-	-0-	3,506,589	4,398,829
Capital Grants and Contributions	6,002,981	6,364,193	-0-	2,793,500	6,002,981	9,157,693
General Revenues:						
Property Taxes	7,690,136	7,600,153	358,777	358,714	8,048,913	7,958,867
Sales Taxes	16,064,881	17,109,760	-0-	-0-	16,064,881	17,109,760
Franchise Taxes	7,422,695	7,382,659	-0-	-0-	7,422,695	7,382,659
Motor Vehicle Taxes	694,237	740,318	38,925	42,234	733,162	782,552
Transient Room Taxes	1,903,278	2,007,787	-0-	-0-	1,903,278	2,007,787
Special Assessments	324,601	352,405	-0-	-0-	324,601	352,405
Interest Income	335,580	949,654	81,708	450,997	417,288	1,400,651
Gain (Loss) on Sale of Assets	9,797	(60,892)	-0-	-0-	9,797	(60,892)
Sundry Revenue	1,319,360	1,047,408	-0-	-0-	1,319,360	1,047,408
Total Revenues	62,916,667	66,529,227	25,963,509	41,094,172	88,880,176	107,623,399
Expenses						
Governmental						
General Government	5,675,296	7,329,037	-0-	-0-	5,675,296	7,329,037
Police & Animal Control	13,280,541	13,147,989	-0-	-0-	13,280,541	13,147,989
Fire	7,809,329	8,278,635	-0-	-0-	7,809,329	8,278,635
Public Works	7,017,165	9,055,057	-0-	-0-	7,017,165	9,055,057
Parks, Landscapes and Cemetery	4,752,925	4,706,362	-0-	-0-	4,752,925	4,706,362
Community Development	2,547,332	2,394,433	-0-	-0-	2,547,332	2,394,433
Economic Development	8,100,642	11,840,581	-0-	-0-	8,100,642	11,840,581
Recreation and Cultural Events	2,498,878	2,462,140	-0-	-0-	2,498,878	2,462,140
Electric Utility	1,074,688	1,397,632	-0-	-0-	1,074,688	1,397,632
Storm Water Utility	2,408,934	2,785,855	-0-	-0-	2,408,934	2,785,855
Interest on Long-Term Debt	3,845,903	3,861,292	-0-	-0-	3,845,903	3,861,292
Business-Type						
Alta Canyon Sports Center	-0-	-0-	1,160,884	1,335,997	1,160,884	1,335,997
Water	-0-	-0-	16,488,063	18,255,604	16,488,063	18,255,604
Waste	-0-	-0-	3,794,550	3,899,198	3,794,550	3,899,198
Golf Course	-0-	-0-	1,302,363	1,390,689	1,302,363	1,390,689
Total Expenses	59,011,634	67,259,013	22,745,860	24,881,488	81,757,494	92,140,501
Increase in Net Assets Before Transfers	3,905,033	(729,786)	3,217,649	16,212,684	7,122,682	15,482,898
Transfers	(150,000)	(150,000)	150,000	150,000	-0-	-0-
Increase in Net Assets	3,755,033	(879,786)	3,367,649	16,362,684	7,122,682	15,482,898
Beginning Net Assets	400,324,844	401,204,630	117,674,356	101,311,672	517,999,200	502,516,302
Ending Net Assets	\$ 404,079,877	\$ 400,324,844	\$ 121,042,005	\$ 117,674,356	\$ 525,121,882	\$ 517,999,200

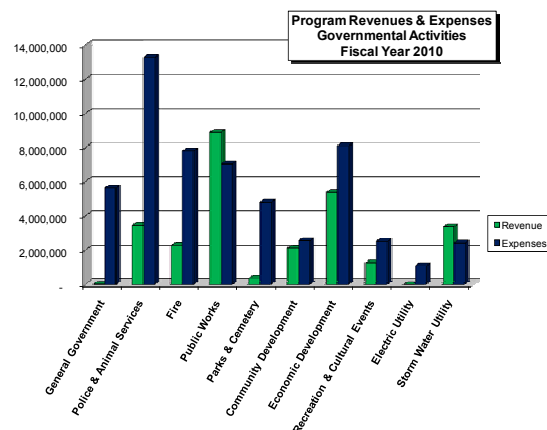
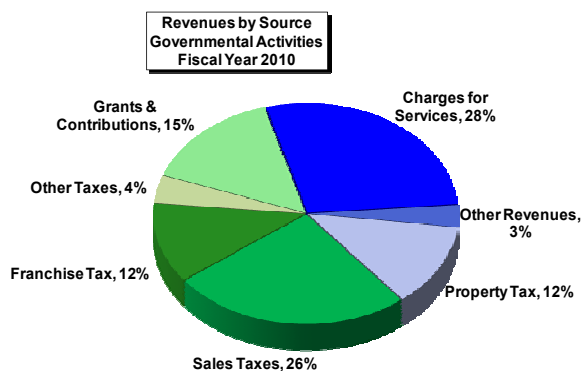
The government's net assets increased \$7,122,682 during fiscal year 2010. This growth is largely due to capital asset additions.

Governmental activities: Governmental activities increased the City's net assets by \$3,755,034. Key elements affecting governmental activities net assets are as follows:

- General fund revenues posted \$446,313 below expectations during fiscal year 2010. The City collected \$503,184 less in Sales tax revenue and \$113,105 less in franchise taxes than final

budgeted amounts while building permits were \$193,371 and business license fees were \$40,266 below expectations. Additionally, the state road allotment was \$106,819 short of expectations. However, public safety fees exceeded expectations by \$198,048 and property tax revenue posted \$83,519 over the final budget.

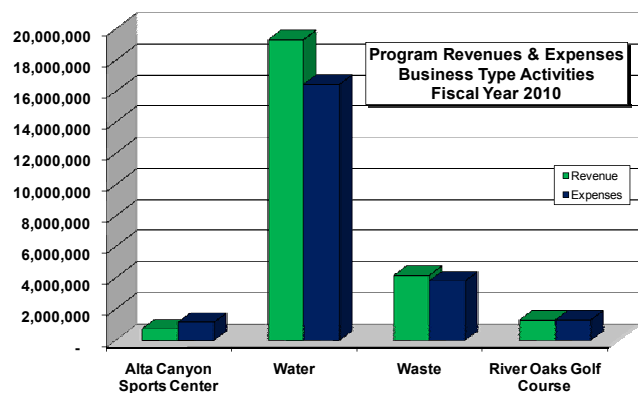
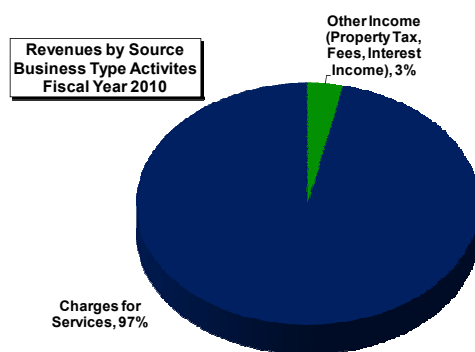
- The City received a \$4,500,000 state grant for 1300 East road improvements.
- The storm water fund sold property for \$186,110, resulting in a \$25,453 gain, and received \$7,000,000 in bond proceeds for improvements to the City's storm drain system. (The remaining \$140,000 of bond proceeds went to the debt service fund to pay the cost of issuing the bonds.)
- During fiscal year 2010, the City's governmental funds finished \$8,154,981 of capital projects including \$5,902,204 that began in prior years. The most significant of these is the 8000 South Outfall Line storm water project, which totaled \$4,223,002. Governmental activities also contributed \$10,542,201 of construction in progress. More detailed information on capital additions can be found in the Capital Assets and Debt Administration section of the MD&A beginning on page 29.



Business-type activities: Business-type activities increased the City's net assets by \$3,367,649. Key elements of the change in business-type net assets are as follows:

- On May 1, 2001, the City entered into an inter-local agreement with Salt Lake City and Metropolitan Water District of Salt Lake and Sandy (MWDSLs). Under this agreement, the City is obligated to pay an estimated total of \$126,310,000 over 30 years to the MWDSLs for capital improvements to be conducted by MWDSLs. The seventh annual assessment of \$4,210,322 was paid in fiscal year 2010. An assessment in the same amount will be paid in fiscal year 2011.
- During fiscal year 2010, the City completed \$3,181,774 in water main additions and continued construction on the Granite tank replacement project which, when finished, will increase the tank's capacity from 1.5 million gallons to 10 million gallons. The fiscal year 2010 capital expenditures for work in progress, including the Granite tank project, totaled \$2,201,369. The water fund also replaced well equipment for \$1,033,980.

- The waste fund purchased two dump trailers to haul bulk waste to the landfill for \$68,465.
- Normal operating activities of the waste fund produced an increase in business-type activities net assets of \$354,222.
- While a struggling economy kept green fees revenue of \$580,599 and rental sales of \$300,544 below expectations, careful spending allowed River Oaks Golf Course to increase business-type activities net assets by \$137,461.
- While costs such as utilities and supplies continue to increase, economic hardships have caused Alta Canyon Sports Center membership and instruction fees to decline resulting in a \$36,549 decrease in business-type net assets.



Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of Sandy City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of fiscal year 2010, the City's governmental funds reported combined ending fund balances of \$35,785,457, a decrease of \$3,383,329 in comparison with fiscal year 2009. Of this amount, \$29,704,087 (83 percent) is unreserved, and is therefore available for spending at the government's discretion. The remainder of the fund balance is *reserved* to indicate it is not available for new spending because it has already been committed to pay debt service (\$1,936,036) or to pay for capital projects, including road projects (\$4,115,391). The City has also paid for certain services it expects to receive in the future (\$29,943).

The general fund is the chief operating fund of the City. At the end of fiscal year 2010, fund balance of the general fund was \$5,105,278, of which \$29,943 has been paid for future services (prepaid assets) and is therefore restricted. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance (\$5,075,335) and total fund balance to total fund expenditures. Unreserved fund balance represents 12.5 percent of the total general fund expenditures.

The fund balance of the City's general fund decreased \$193,746. While the City realized a budget shortfall in many of the general fund revenues due to the struggling economy (\$503,184 below expectations in general sales and use taxes, \$113,105 in franchise taxes, \$106,819 from the state road allotment, and \$40,266 in business license fees), we received more in general fund revenue than expected in a few areas: \$198,048 in public safety fees, \$126,122 in court fines, and \$83,519 in property taxes.

The storm water fund experienced an increase in fund balance of \$6,361,508 for fiscal year 2010 resulting in a total fund balance of \$8,761,917. The receipt of \$7,000,000 in bond proceeds which will be paid for in the debt service fund provided the increase.

The debt service fund has a total fund balance of \$2,629,205, of which \$1,936,036 is reserved for the payment of debt service. The net fund balance decreased 17.5 percent (\$559,361) during fiscal year 2010. This decrease in fund balance is a result of making regularly scheduled debt service payments.

Fund balance in the capital projects fund decreased \$3,246,117 during fiscal year 2010 leaving an ending fund balance of \$17,461,815. Of the ending fund balance, \$4,115,391 is restricted for specific capital projects, including roads. The addition of \$7,481,434 in ongoing projects, which includes 1300 East Improvements (\$4,361,553) contributed to the decrease.

The Redevelopment Agency (RDA) fund's ending fund balance of \$839,506 reflects a decrease of \$5,631,759 in fiscal year 2010. The RDA used \$4,740,078 for debt service and transferred \$80,000 to the general fund (\$40,000) and the storm water fund (\$40,000) to pay for costs associated with the South Towne Ridge Road storm water project. The RDA collected a net of \$133,557 less in property taxes and \$96,722 less in transient room taxes than expected.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The City's proprietary funds experienced cumulative growth of \$3,372,286 in unrestricted net assets from enterprise funds amounting to total net assets of \$110,001,182 for the water fund, \$7,337,121 for the waste fund, \$985,856 for Alta Canyon Sports Center, and \$1,915,880 for River Oaks Golf Course. Total net assets from all internal service funds is \$16,902,378.

Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

Fiscal year 2010 realized a \$912,762 decrease between the original budget and the final amended budget for general fund expenditures. The City cut general fund department budgets nearly 2 percent (\$840,352) to compensate for the shortage in general fund revenue, mostly from internal service charges, special projects, vacant and seasonal positions, and training. An additional \$85,000 was transferred from elections to capital projects for the Alta Canyon remodel. The general fund contingency was used to fund the following:

- Appropriations were increased \$50,000 for snow removal.
- Selective enforcement was increased \$50,000.
- The City granted \$10,000 to match the state's contribution to the Utah Cooperative Marketing Program.
- The City sponsored the Top-of-the-Mountain Bowl with a \$5,000 contribution and \$10,000 for the Sister Cities program.
- The City increased appropriations for court appointed counsel by \$26,300.

General fund expenditures fell \$574,117 below budgeted appropriations mostly as a result of careful spending due to economic uncertainty. This budget savings occurred primarily in public safety (\$150,618), Public Works (\$246,691), Non-departmental (\$73,920), City Administrator (\$59,574), and Parks and Cemetery (\$39,502). Based on budgeted revenues and expenditures, fund balance was expected to decrease \$281,214. However, cautious spending allowed a decrease of only \$193,746 after transferring \$431,032 to the capital projects fund at fiscal yearend to be used for future projects.

Capital Assets and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of June 30, 2010 are water rights and capacity, water system, land, buildings, improvements other than buildings, machinery and equipment, vehicles, infrastructure (roadway system), street light system, and storm drain system. The net increase in the City's investment in capital assets for fiscal year 2010 was \$12,317,865 (a 2.2 percent increase for governmental activities and a 2.1 percent increase for business-type activities).

Major capital asset events during fiscal year 2010 included the following:

- The City purchased land at 10125 South 280 West for \$1,880,555.

- The water fund contributed \$2,201,369 in new construction in progress, including \$447,931 for the Granite tank replacement and \$434,496 for the Brookwood Elementary waterline upgrade.
- The water fund completed \$3,181,775 of main line projects and \$1,033,980 of well replacements.
- The City completed \$1,440,662 in road projects added \$5,770,852 in roads construction in progress including \$4,361,553 for 1300 East improvements.
- The City contributed \$1,509,215 to new parks construction in progress and completed \$609,092 of park improvements.
- The City replaced 15 police vehicles amounting to \$349,352 and an ambulance for \$156,786.

SANDY CITY
Capital Assets, Net of Depreciation
June 30, 2010

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Water Rights & Capacity	\$ -0-	\$ -0-	\$ 40,400,658	\$ 40,006,423	\$ 40,400,658	\$ 40,006,423
Land	217,417,904	217,211,517	6,887,234	6,862,735	224,305,138	224,074,252
Buildings and Systems	57,454,478	54,347,300	63,681,855	54,899,196	121,136,333	109,246,496
Improvement Other Than Buildings	12,032,548	11,875,433	1,782,427	1,176,736	13,814,975	13,052,169
Vehicles	5,203,466	5,381,777	842,945	895,690	6,046,411	6,277,467
Machinery and Equipment	2,116,865	2,091,726	399,493	375,683	2,516,358	2,467,409
Infrastructure	123,404,816	121,964,155	-0-	-0-	123,404,816	121,964,155
Construction in Progress	24,432,177	19,468,018	10,459,086	17,641,698	34,891,263	37,109,716
Total	\$ 442,062,254	\$ 432,339,926	\$ 124,453,698	\$ 121,858,161	\$ 566,515,952	\$ 554,198,087

The City did not record its roadway system infrastructure as part of the general fixed asset account group before July 1, 2002, but did record storm water and street light systems infrastructure in the appropriate funds at historical cost less depreciation. With the implementation of GASB Statement No. 34, Sandy City implemented the modified approach to account for roadway system infrastructure. Because many infrastructure assets may reasonably be expected to continue to function indefinitely if they are adequately preserved and maintained, GAAP allow a government to forego reporting depreciation in connection with networks or subsystems of infrastructure assets. A government choosing this option must commit to maintain those particular infrastructure assets at a predetermined condition level of its own choosing and must establish an asset management system adequate for that purpose. Sandy City has established a policy to maintain at least 80 percent of its roadway system in good or better condition and have no more than 10 percent in substandard condition. For the fiscal year ending June 30, 2010, the City has exceeded this goal for each of the three subsystems of the roadway network (arterials, collectors, and secondary) with 90.5 percent of the overall roadway network being in good or better condition and only 0.2 percent in substandard condition. This is a 0.5 percent increase from those in good or better condition and a 0.1 percent decrease in substandard condition from the fiscal year ending June 30, 2009. The projected needed amount of \$5,569,701 compared to the actual amount spent (\$4,464,842) reflects careful prioritization to maintain road infrastructure in good or better conditions while preparing for possible budget cuts due to the struggling economy. More detailed information on this subject can be found in note 1 on page 53 of the notes to the financial statements and in the Required Supplementary Information section on page 83.

Additional information on the City's capital assets can be found in note 10 of the notes to the financial statements on pages 62-65 of this report.

Long-term debt. At the end of fiscal year 2010, the City had total long-term obligations outstanding of \$107,497,072. Of this amount, \$1,090,000 comprises debt backed by the full faith and credit of the government and \$981,000 is special assessment debt for which the government is liable in the event of default by the property owners subject to the assessment. The remainder of the City's bonded debt (\$88,230,000) represents bonds secured solely by specified revenue sources (i.e. revenue bonds). The City's long-term obligations outstanding also include notes payable, long-term contracts payable, and compensated absences totaling \$17,196,072.

SANDY CITY
Outstanding Debt
As of June 30, 2010

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
General Obligation Bonds	\$ 1,090,000	\$ 1,770,000	\$ -0-	\$ -0-	\$ 1,090,000	\$ 1,770,000
Special Assessment Debt with Governmental Commitment	981,000	1,281,000	-0-	-0-	981,000	1,281,000
Tax Increment Bond	11,040,000	11,040,000	-0-	-0-	11,040,000	-11040000-
Revenue Bonds	67,686,242	64,120,000	9,503,758	10,470,000	77,190,000	74,590,000
Total Bonds Payable	80,797,242	78,211,000	9,503,758	10,470,000	90,301,000	88,681,000
Notes Payable	1,175,000	1,325,000	-0-	-0-	1,175,000	1,325,000
Compensated Absences	2,717,722	2,713,976	-0-	-0-	2,717,722	2,713,976
Long-Term Contract Payable	-0-	-0-	13,303,350	13,506,390	13,303,350	13,506,390
Total Other Debt	3,892,722	4,038,976	13,303,350	13,506,390	17,196,072	17,545,366
Total Outstanding Debt	\$ 84,689,964	\$ 82,249,976	\$ 22,807,108	\$ 23,976,390	\$ 107,497,072	\$ 106,226,366

The City's total long-term debt increased \$1,270,706 (1.2 percent) during fiscal year 2010. Significant events that contributed to this change are:

- The City issued Series 2009 Taxable Sales Tax Revenue Bonds (\$7,140,000) for the purpose of financing the acquisition and construction of improvements to the City's storm drainage system and related improvements and paying the costs of issuing the bonds. The City elected to treat these bonds as "Build America Bonds" in order to receive cash subsidy payments from the United States Treasury equal to 35 percent of the interest payable on the bonds.
- The City issued Series 2010 Sales Tax Revenue Refunding Bonds (\$7,070,000) for the purpose of refunding the 2002 Sales Tax Revenue Bonds and the 2002B Sales Tax Revenue Bonds, leaving bonds outstanding for each of these bonds amounting to \$1,390,000 and \$605,000 respectively.
- The City made \$5,983,040 of principal payments on long-term debt during fiscal year 2010.

The City's sales tax revenue bonds are insured by Ambac Assurance Corporation. In June 2008, Ambac's rating was downgraded causing the Standard and Poor's ratings on the City's sales tax revenue bonds to be downgraded from AAA to AA+, which is also the rating for the Series 2009 and 2010 bond issues. The City maintains a "AA" rating from Standard and Poor's for its general obligation bond because of the City's strong historical and projected unrestricted financial reserves, a low debt level, and a stable and affluent residential community. Standard and Poor's has rated the water revenue and refunding bonds "AA-". Moody's Investor Services rated the 2007 Motor Fuel Excise Tax Revenue Bonds "AAA". Because the 2008 Tax Increment Bonds and the 2007 Transient Room Tax Bonds were privately placed, there was no rating requirement.

Utah state statute limits the amount of general obligation debt a governmental entity may issue to eight percent of the "reasonable fair cash value" of property. Of this percentage, a maximum of four percent may be used for general purposes. The remaining four percent and any unused portion of the four percent available for general purposes up to the maximum eight percent may be utilized for water and/or sewer purposes. The current debt limitation for the City's general-purpose debt is \$401,193,446 and \$802,386,892 for the City as a whole. This limitation is significantly in excess of the City's outstanding general obligation debt (\$1,090,000).

Additional information on the City's long-term debt can be found in note 11 on pages 65-73 of this report.

Economic Factors and Next Year's Budgets and Rates

As retail sales, construction, wages and employment continue to experience decreases, Utah's unemployment rate continues to rise. Although Utah's June unemployment rate of 7.2 percent is a substantial increase over the prior year (5.7 percent), Utah remains lower than the national average of 9.5 percent for the same time period. While the current employer survey administered by the United States Bureau of Labor Statistics suggests the Utah economy is operating in a mild state of recovery, the City's administration remains cautiously optimistic about the financial future. In fact, it is expected that the decline in revenue the City experienced in prior years will flatten out and actually grow by a modest 1.9 percent. The City also expects to decrease the general fund balance by \$123,894 during fiscal year 2011.

The Public Utilities department increased storm water fees 7 percent to fund operations, capital projects, and debt service of storm water projects.

The Public Works department added a new fee of \$35 per hour with a minimum \$70 charge to cover personnel costs for inspecting contractor permits after regular working hours and discontinued the non-compliance fee for private tree trimming/removal per Chapter 15 of the Sandy City Land Development Code.

Alta Canyon Sports Center fees for rentals, admission, swimming, and memberships, several recreation fees, green fees at River Oaks Golf Course, as well as most cemetery and park reservation fees increased to cover rising costs for facilities, wages, utilities, and supplies. FIRST Club and After School Program fees increased due to extra days out of school. Summer camp fees changed from a daily fee to a monthly fee. The golf course added annual range pass fees as part of an annual pass pilot program, and other recreation fees increased based on a market survey.

The Community Development department implemented a new development application flat fee in place of the percentage based development fee. The pre-development fees were discontinued. Some of the review fees were reduced and percentage type fees were replaced with flat fees.

To keep up with the cost of tent rentals for the Sandy 4th of July Celebration, the City increased the 4th of July booth fee to \$130, a \$5 increase. Additionally, the Sandy Arts Guild increased single season pass fees 4 to 5 percent to bring season tickets more in line with the true market value. Additional fees for half season plans were discontinued in favor of the design-your-own package option.

Requests for Information

This financial report is designed to provide a general overview of Sandy City's finances for everyone with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Sandy City Finance Department, 10000 Centennial Parkway, Sandy, Utah 84070.

BASIC FINANCIAL STATEMENTS

SANDY CITY
Statement of Net Assets
June 30, 2010
With Comparative Totals for 2009

	Governmental Activities	Business-Type Activities	Total	Comparative Total - 2009
<u>ASSETS:</u>				
Cash and Cash Equivalents	\$ 35,037,322	\$ 10,785,158	\$ 45,822,480	\$ 53,654,558
Receivables - Net	13,835,360	2,745,570	16,580,930	17,106,144
Deposits	-0-	250,000	250,000	250,000
Intergovernmental Receivable	1,112,607	888,459	2,001,066	2,280,228
Internal Balances	(801,966)	801,966	-0-	-0-
Inventories	92,889	838,570	931,459	742,956
Prepaid Assets	41,295	208,950	250,245	418,450
Deferred Charges	899,207	440,083	1,339,290	929,933
Temporarily Restricted Cash:				
Road Funds	615,838	-0-	615,838	73,625
Capital Projects	10,536,111	-0-	10,536,111	6,603,488
Debt Service	1,936,036	-0-	1,936,036	2,643,536
Investment in Joint Venture	-0-	5,741,934	5,741,934	5,746,873
Capital Assets (Net of Accumulated Depreciation)				
Water Rights & Capacity	-0-	40,400,658	40,400,658	40,006,423
Land	217,417,904	6,887,234	224,305,138	224,074,252
Buildings and Systems	57,454,478	63,681,855	121,136,333	109,246,496
Improvements Other Than Buildings	12,032,548	1,782,427	13,814,975	13,052,169
Vehicles	5,203,466	842,945	6,046,411	6,277,467
Machinery and Equipment	2,116,865	399,493	2,516,358	2,467,409
Infrastructure	123,404,816	-0-	123,404,816	121,964,155
Construction in Progress	24,432,177	10,459,086	34,891,263	37,109,716
Total Assets	<u>\$ 505,366,953</u>	<u>\$ 147,154,388</u>	<u>\$ 652,521,341</u>	<u>\$ 644,647,878</u>

The accompanying notes are an integral part of this financial statement.

	Governmental Activities	Business-Type Activities	Total	Comparative Total - 2009
<u>LIABILITIES:</u>				
Accounts Payable	\$ 1,370,119	\$ 1,562,170	\$ 2,932,289	\$ 4,307,491
Salaries & Benefits Payable	1,623,198	229,182	1,852,380	1,766,420
Accrued Interest Payable	1,350,431	113,439	1,463,870	1,476,343
Unamortized Interest Payable	-0-	269,671	269,671	7,469
Claims & Judgements Payable	271,153	-0-	271,153	224,048
Intergovernmental Payable	93,667	13,791	107,458	115,478
Unearned Revenue	8,036,513	428,912	8,465,425	8,450,994
Deferred Assessments	751,000	-0-	751,000	1,061,000
Customer Deposits	3,101,030	688,110	3,789,140	3,013,069
Noncurrent Liabilities:				
Compensated Absenses:				
Due within One Year	76,282	-0-	76,282	76,282
Due in More Than One Year	2,641,440	-0-	2,641,440	2,637,694
Bonds, Notes, Leases and Other Payables:				
Due within One Year	4,978,000	701,500	5,679,500	5,983,040
Due in More Than One Year	76,994,242	22,105,608	99,099,850	97,529,350
Total Liabilities	101,287,075	26,112,383	127,399,458	126,648,678
<u>NET ASSETS:</u>				
Invested In Capital Assets, Net of Related Debt	360,090,012	101,588,419	461,678,431	450,881,268
Restricted For:				
General Fund	29,943	-0-	29,943	2,450
Debt service	1,936,036	-0-	1,936,036	2,643,536
Capital Projects	3,499,553	-0-	3,499,553	6,475,937
Road Funds	615,838	-0-	615,838	73,625
Unrestricted	37,908,495	19,453,586	57,362,081	57,922,384
Total Net Assets	\$ 404,079,877	\$ 121,042,005	\$ 525,121,882	\$ 517,999,200

SANDY CITY
Statement of Activities
For the Year Ended June 30, 2010
With Comparative Totals for the Year Ended 2009

Functions/Programs:	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General Government	\$ 5,675,297	\$ 43,766	\$ -0-	\$ -0-
Police & Animal Control	13,280,541	3,320,215	138,950	-0-
Fire	7,809,329	2,237,500	37,278	-0-
Public Works	7,017,165	110,630	2,856,981	5,941,661
Parks, Landscapes and Cemetery	4,752,925	319,748	-0-	8,320
Community Development	2,547,332	1,655,277	473,380	-0-
Economic Development	8,100,642	5,391,945	-0-	-0-
Recreation and Cultural Events	2,498,878	1,192,418	-0-	53,000
Electric Utility	1,074,688	1,540	-0-	-0-
Storm Water Utility	2,408,934	3,369,493	-0-	-0-
Interest on Long-Term Debt	3,845,903	-0-	-0-	-0-
Total Governmental Activities	59,011,634	17,642,532	3,506,589	6,002,981
Business-Type Activities:				
Alta Canyon Sports Center	1,160,884	725,632	-0-	-0-
Water	16,488,063	19,318,188	-0-	-0-
Waste	3,794,550	4,147,863	-0-	-0-
Golf Course	1,302,363	1,292,416	-0-	-0-
Total Business-Type Activities	22,745,860	25,484,099	-0-	-0-
Total Primary Government	\$ 81,757,494	\$ 43,126,631	\$ 3,506,589	\$ 6,002,981

General Revenues:

Property Taxes

Sales Taxes

Franchise Taxes

Motor Vehicle Taxes

Transient Room Taxes

Interest Income

Sundry Revenue

Transfers

Total General Revenues and Transfers

Change in Net Assets

Beginning Net Assets

Ending Net Assets

The accompanying notes are an integral part of this financial statement.

Net (Expenses) Revenues and Changes in Net Assets			
Governmental Activities	Business-Type Activities	Total	Comparative Total - 2009
\$ (5,631,531)	\$ -0-	\$ (5,631,531)	\$ (7,251,262)
(9,821,376)	-0-	(9,821,376)	(9,740,923)
(5,534,551)	-0-	(5,534,551)	(5,787,842)
1,892,107	-0-	1,892,107	265,526
(4,424,857)	-0-	(4,424,857)	(2,949,805)
(418,675)	-0-	(418,675)	204,825
(2,708,697)	-0-	(2,708,697)	(6,674,457)
(1,253,460)	-0-	(1,253,460)	(1,312,061)
(1,073,148)	-0-	(1,073,148)	(1,395,266)
960,559	-0-	960,559	643,519
(3,845,903)	-0-	(3,845,903)	(3,861,292)
(31,859,532)	-0-	(31,859,532)	(37,859,038)
-0-	(435,252)	(435,252)	(644,853)
-0-	2,830,125	2,830,125	16,003,469
-0-	353,313	353,313	43,836
-0-	(9,947)	(9,947)	(41,713)
-0-	2,738,239	2,738,239	15,360,739
(31,859,532)	2,738,239	(29,121,293)	(22,498,299)
7,690,136	358,777	8,048,913	7,958,867
16,064,881	-0-	16,064,881	17,109,760
7,422,695	-0-	7,422,695	7,382,659
694,237	38,925	733,162	782,552
1,903,278	-0-	1,903,278	2,007,787
335,580	81,708	417,288	1,400,651
1,653,758	-0-	1,653,758	1,338,921
(150,000)	150,000	-0-	-0-
35,614,565	629,410	36,243,975	37,981,197
3,755,033	3,367,649	7,122,682	15,482,898
400,324,844	117,674,356	517,999,200	502,516,302
\$ 404,079,877	\$ 121,042,005	\$ 525,121,882	\$ 517,999,200

SANDY CITY
Balance Sheet
Governmental Funds
June 30, 2010
With Comparative Totals for 2009

	General Fund	Storm Water	Debt Service	Capital Projects	RDA	Other Governmental Funds	Governmental Funds	
							Total	Comparative 2009
ASSETS:								
Cash and Cash Equivalents	\$ 5,906,111	\$ 1,570,178	\$ 667,812	\$ 13,690,062	\$ 374,565	\$ 1,108,607	\$ 23,317,335	\$ 30,211,976
Receivables - Net	10,666,960	293,861	1,129,896	39,546	468,697	224	12,599,184	13,231,650
Due from other Governments	983,682	-0-	-0-	3,205	-0-	125,720	1,112,607	1,486,684
Due From Other Funds	-0-	-0-	-0-	-0-	16,727	-0-	16,727	6,880
Prepaid Assets	29,943	-0-	-0-	-0-	-0-	-0-	29,943	2,450
Temporarily Restricted Cash:								
Road Funds	-0-	-0-	-0-	615,838	-0-	-0-	615,838	73,625
Capital Projects	-0-	7,000,000	-0-	3,499,553	36,558	-0-	10,536,111	6,603,488
Debt Service	-0-	-0-	1,936,036	-0-	-0-	-0-	1,936,036	2,643,536
Total Assets	17,586,696	8,864,039	3,733,744	17,848,204	896,547	1,234,551	50,163,781	54,260,289
LIABILITIES AND FUND BALANCES:								
Accounts Payable	579,427	48,198	-0-	386,389	48,380	159,596	1,221,990	2,395,298
Salaries & Benefits Payable	1,430,589	53,924	-0-	-0-	8,661	62,789	1,555,963	1,540,510
Due to Other Governments	93,167	-0-	-0-	-0-	-0-	500	93,667	101,786
Due to Other Funds	-0-	-0-	-0-	-0-	-0-	16,727	16,727	6,880
Deferred Revenue	7,284,408	-0-	1,104,539	-0-	-0-	-0-	8,388,947	8,673,642
Deposits	3,093,827	-0-	-0-	-0-	-0-	7,203	3,101,030	2,373,387
Total Liabilities	12,481,418	102,122	1,104,539	386,389	57,041	246,815	14,378,324	15,091,503
Fund Balance								
Reserved for:								
General Fund	29,943	-0-	-0-	-0-	-0-	-0-	29,943	2,450
Debt Service	-0-	-0-	1,936,036	-0-	-0-	-0-	1,936,036	2,643,536
Capital Projects	-0-	-0-	-0-	3,499,553	-0-	-0-	3,499,553	6,475,937
Roads	-0-	-0-	-0-	615,838	-0-	-0-	615,838	73,625
Unreserved Fund Balances								
General Fund	5,075,335	-0-	-0-	-0-	-0-	-0-	5,075,335	5,296,574
Special Revenue Fund	-0-	8,761,917	-0-	-0-	839,506	987,736	10,589,159	9,973,264
Debt Service Fund	-0-	-0-	693,169	-0-	-0-	-0-	693,169	545,030
Capital Projects Fund	-0-	-0-	-0-	13,346,424	-0-	-0-	13,346,424	14,158,370
Total Fund Balances	5,105,278	8,761,917	2,629,205	17,461,815	839,506	987,736	35,785,457	39,168,786
Total Liabilities and Fund Balances	\$ 17,586,696	\$ 8,864,039	\$ 3,733,744	\$ 17,848,204	\$ 896,547	\$ 1,234,551	\$ 50,163,781	\$ 54,260,289

The accompanying notes are an integral part of this financial statement.

SANDY CITY

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets June 30, 2010

Amounts Reported for Governmental Activities in the Statement of Net Assets are Different Because:

Total Fund Balances for Governmental Funds (page 38)		\$ 35,785,457
Capital Assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:		
Land	\$ 217,417,904	
Buildings and Systems	57,454,477	
Improvements Other Than Buildings	12,032,548	
Vehicles	9,282	
Machinery and Equipment	854,872	
Infrastructure	123,404,816	
Construction in Progress	23,675,310	
Total Capital Assets		434,849,209
Some of the City's revenues will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as receivables.		
		858,710
A portion of the excess revenue collected by the internal service funds must be returned to the business-type activities.		
		(801,966)
Internal services funds are used by the City to charge the costs of the fleet operations, information services, risk management, equipment and employee benefits. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		
		16,902,378
Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather as an expenditure when due. All liabilities - both current and long-term are reported in the statement of net assets.		
Accrued Interest Payable	(1,350,431)	
Unamortized Bond Issuance Costs	899,207	
Bonds, Notes and Leases Payable - Current	(4,978,000)	
Bonds, Notes and Leases Payable - Noncurrent	(76,994,242)	
Compensated Absences - Noncurrent	(1,090,445)	
		(83,513,911)
Net Assets of Governmental Activities (page 35)		\$ 404,079,877

The accompanying notes are an integral part of this financial statement.

SANDY CITY**Statement of Revenues, Expenditures, and Changes in Fund Balances****Governmental Funds****For the Year Ended June 30, 2010****With Comparative Totals for the Year Ended 2009**

	General Fund	Storm Water	Debt Service	Capital Projects	RDA	Other Governmental Funds	Governmental Funds	
							Total	Comparative Total - 2009
Revenues:								
Taxes	\$ 31,551,101	\$ -0-	\$ 293,603	\$ -0-	\$ 7,295,223	\$ -0-	\$ 39,139,927	\$ 39,864,133
Special Assessments	-0-	-0-	324,601	-0-	-0-	-0-	324,601	352,505
Innkeeper Fees	-0-	-0-	332,317	-0-	-0-	-0-	332,317	309,967
Licenses & Permits	1,640,829	-0-	-0-	-0-	-0-	-0-	1,640,829	2,211,421
Inter-Governmental Revenue	3,254,335	-0-	33,738	4,717,255	-0-	526,380	8,531,708	9,189,553
Sponsors	-0-	-0-	-0-	-0-	-0-	12,103	12,103	62,603
Administrative Charges	2,067,801	-0-	-0-	-0-	-0-	-0-	2,067,801	1,931,193
Fines & Forfeitures	2,710,377	-0-	-0-	1,889	-0-	-0-	2,712,266	2,938,223
Cell Tower Lease	169,523	-0-	-0-	-0-	-0-	-0-	169,523	170,459
Fees from Developers	-0-	153,808	11,598	193,407	-0-	-0-	358,813	982,877
Charges for Sales & Services	2,522,028	3,017,578	366,229	-0-	-0-	1,172,145	7,077,980	7,065,480
Interest Income	70,860	34,430	42,795	129,371	51,323	6,801	335,580	949,655
Miscellaneous Revenues	164,388	11,997	-0-	300,000	-0-	633,839	1,110,224	574,451
Total Revenues	44,151,242	3,217,813	1,404,881	5,341,922	7,346,546	2,351,268	63,813,672	66,595,400
Expenditures:								
Current								
General Government	8,700,739	-0-	-0-	-0-	-0-	19,700	8,720,439	8,782,313
Police & Animal Control	12,761,217	-0-	-0-	-0-	-0-	613,532	13,374,749	13,338,570
Fire	7,622,678	-0-	-0-	-0-	-0-	31,230	7,653,908	8,139,433
Public Works	5,631,198	-0-	-0-	-0-	-0-	-0-	5,631,198	5,630,273
Parks, Landscapes and Cemetery	3,601,413	-0-	-0-	-0-	-0-	12,078	3,613,491	3,900,809
Community Development	2,213,487	-0-	-0-	-0-	-0-	303,933	2,517,420	2,496,381
Economic Development	-0-	-0-	-0-	-0-	931,740	-0-	931,740	901,072
Recreation and Cultural Events	-0-	-0-	-0-	-0-	-0-	2,243,145	2,243,145	2,202,290
Electric Utility	-0-	-0-	-0-	-0-	-0-	722,293	722,293	1,044,563
Storm Water Utility	-0-	1,384,627	-0-	-0-	-0-	-0-	1,384,627	1,630,536
Capital Outlays								
Public Works	-0-	-0-	-0-	10,750,642	-0-	-0-	10,750,642	11,921,645
Storm Water Utility	-0-	1,730,189	-0-	-0-	-0-	-0-	1,730,189	1,250,219
Economic Development	-0-	-0-	-0-	-0-	7,226,487	-0-	7,226,487	10,928,625
Debt Service								
Principal	-0-	-0-	4,770,000	-0-	-0-	-0-	4,770,000	4,006,000
Interest on Long-Term Debt	-0-	-0-	3,795,121	-0-	-0-	-0-	3,795,121	3,553,225
Bond Issuance Cost and Trustee Fees	-0-	-0-	577,064	-0-	-0-	-0-	577,064	237,701
Total Expenditures	40,530,732	3,114,816	9,142,185	10,750,642	8,158,227	3,945,911	75,642,513	79,963,655
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,620,510	102,997	(7,737,304)	(5,408,720)	(811,681)	(1,594,643)	(11,828,841)	(13,368,255)
Other Financing Sources (Uses):								
Issuance of Debt	-0-	7,000,000	4,386,242	-0-	-0-	-0-	11,386,242	11,040,000
Bond Premium	-0-	-0-	357,751	-0-	-0-	-0-	357,751	-0-
Redemption of Refunded Bonds	-0-	-0-	(4,180,000)	-0-	-0-	-0-	(4,180,000)	-0-
Sale of Capital Assets	-0-	186,110	-0-	35,250	-0-	-0-	221,360	281,145
Total Nonoperating Revenues (Expenses):	-0-	7,186,110	563,993	35,250	-0-	-0-	7,785,353	1,328,265
Income Before Contributions and Transfers	3,620,510	7,289,107	(7,173,311)	(5,373,470)	(811,681)	(1,594,643)	(4,043,488)	(7,528,581)
Transfers In	877,638	40,000	6,797,352	2,249,058	-0-	1,678,274	11,642,322	12,125,475
Transfers Out	(4,691,894)	(967,599)	(183,402)	(121,705)	(4,820,078)	(197,485)	(10,982,163)	(12,024,353)
Total Other Financing Sources (Uses)	(3,814,256)	6,258,511	7,177,943	2,162,603	(4,820,078)	1,480,789	8,445,512	11,429,387
Net Change in Fund Balances	(193,746)	6,361,508	(559,361)	(3,246,117)	(5,631,759)	(113,854)	(3,383,329)	(1,938,868)
Beginning Fund Balances	5,299,024	2,400,409	3,188,566	20,707,932	6,471,265	1,101,590	39,168,786	41,107,654
Ending Fund Balances	\$ 5,105,278	\$ 8,761,917	\$ 2,629,205	\$ 17,461,815	\$ 839,506	\$ 987,736	\$ 35,785,457	\$ 39,168,786

The accompanying notes are an integral part of this financial statement.

SANDY CITY

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended June 30, 2010

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Net Change in Fund Balances - Total Governmental (page 40)	\$ (3,383,330)
--	----------------

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	9,662,214
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The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets.	(160,657)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(51,491)
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The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(2,237,630)
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(87,524)
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Internal service funds are used by the City to charge the costs of various activities to individual funds. A portion of the internal service funds net revenues is reported with governmental activities.	13,450
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Change in Net Assets of Governmental Activities (page 36-37)	<u>\$ 3,755,033</u>
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The accompanying notes are an integral part of this financial statement.

SANDY CITY**General Fund****Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final	Amounts	
Revenues:				
Taxes:				
General Property Taxes	\$ 7,285,769	\$ 7,285,769	\$ 7,369,288	\$ 83,519
General Sales & Use Taxes	16,568,065	16,568,065	16,064,881	(503,184)
Franchise Taxes	7,535,800	7,535,800	7,422,695	(113,105)
Motor Vehicle Fee	690,000	690,000	694,237	4,237
Total Taxes	32,079,634	32,079,634	31,551,101	(528,533)
Licenses & Permits	1,865,700	1,833,537	1,640,829	(192,708)
Inter-Governmental Revenue	3,366,120	3,366,120	3,254,335	(111,785)
Administrative Charges	2,067,801	2,067,801	2,067,801	-0-
Fines & Forfeitures	3,062,500	2,585,119	2,710,377	125,258
Cell Tower Lease	179,762	179,762	169,523	(10,239)
Charges for Sales & Services	2,704,800	2,340,488	2,522,028	181,540
Interest Income	75,000	75,000	70,860	(4,140)
Miscellaneous Revenues	57,000	57,000	151,294	94,294
Total Revenues	45,458,317	44,584,461	44,138,148	(446,313)
Expenditures:				
General Government:				
Mayor	506,573	490,062	490,043	19
City Administrator	2,576,571	2,446,419	2,386,845	59,574
City Council	563,833	552,556	552,416	140
City Attorney	1,150,315	1,119,899	1,119,899	-0-
Court Services	1,360,296	1,359,390	1,359,221	169
Finance	1,688,339	1,654,572	1,654,378	194
Non-Departmental	1,294,038	1,211,857	1,137,937	73,920
Total General Government	9,139,965	8,834,755	8,700,739	134,016
Public Safety:				
Police & Animal Control	13,022,304	12,761,858	12,761,217	641
Fire	7,931,281	7,772,655	7,622,678	149,977
Total Public Safety	20,953,585	20,534,513	20,383,895	150,618
Public Works	5,946,825	5,877,889	5,631,198	246,691
Parks and Cemetery	3,715,219	3,640,915	3,601,413	39,502
Community Development	2,262,017	2,216,777	2,213,487	3,290
Total Expenditures	42,017,611	41,104,849	40,530,732	574,117
Excess of Revenues Over Expenditures	3,440,706	3,479,612	3,607,416	127,804
Other Financing Sources (Uses):				
Other Income	-0-	-0-	13,094	13,094
Transfers In	40,000	47,478	877,638	830,160
Transfers Out	(3,756,808)	(3,808,304)	(4,691,894)	(883,590)
Total Other Financing Sources (Uses)	(3,716,808)	(3,760,826)	(3,801,162)	(40,336)
Net Change in Fund Balances	(276,102)	(281,214)	(193,746)	87,468
Beginning Fund Balances	5,299,024	5,299,024	5,299,024	-0-
Ending Fund Balances	\$ 5,022,922	\$ 5,017,810	\$ 5,105,278	\$ 87,468

The accompanying notes are an integral part of this financial statement.

SANDY CITY

Storm Water Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Inter-Governmental Revenue	\$ 962,000	\$ 962,000	\$ -0-	\$ (962,000)
Charges for Sales & Services	3,053,695	3,053,695	3,017,578	(36,117)
Contributions from Developers	51,500	51,500	153,808	102,308
Interest Income	24,700	24,700	34,430	9,730
Miscellaneous Revenues	-0-	-0-	11,997	11,997
Total Revenues	4,091,895	4,091,895	3,217,813	(874,082)
Expenditures:				
Salaries and Benefits	850,434	850,434	800,814	49,620
Materials & Supplies	148,091	148,091	179,719	(31,628)
Contracted Services	4,590	4,590	5,580	(990)
Internal Charges	870,059	870,059	330,076	539,983
Administrative Charges	53,893	53,893	53,893	-0-
Cost of Goods Sold	11,416	11,416	14,545	(3,129)
Capital Outlays	9,181,958	9,181,958	1,730,189	7,451,769
Total Expenditures	11,120,441	11,120,441	3,114,816	8,005,625
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,028,546)	(7,028,546)	102,997	7,131,543
Other Financing Sources (Uses):				
Issuance of Debt	7,000,000	7,000,000	7,000,000	-0-
Sale of Capital Assets	-0-	-0-	186,110	186,110
Transfers In	40,000	40,000	40,000	-0-
Transfers Out	(1,078,459)	(1,141,116)	(967,599)	173,517
Total Other Financing Sources (Uses)	5,961,541	5,898,884	6,258,511	359,627
Net Change in Fund Balances	(1,067,005)	(1,129,662)	6,361,508	7,491,170
Beginning Fund Balances	2,400,409	2,400,409	2,400,409	-0-
Ending Fund Balances	\$ 1,333,404	\$ 1,270,747	\$ 8,761,917	\$ 7,491,170

The accompanying notes are an integral part of this financial statement.

SANDY CITY**Redevelopment Agency (RDA)****Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****For the Year Ended June 30, 2010**

	Original and Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
General Property Taxes	\$ 5,525,502	\$ 5,391,945	\$ (133,557)
Transient Room Tax	2,000,000	1,903,278	(96,722)
Interest Income	-0-	51,323	51,323
Total Revenues	7,525,502	7,346,546	(178,956)
Expenditures:			
Salaries and Benefits	299,684	295,398	4,286
Materials & Supplies	86,258	26,275	59,983
Contracted Services	764,973	463,709	301,264
Internal Charges	12,673	12,673	-0-
Administrative Charges	133,685	133,685	-0-
Capital Outlays	12,341,427	7,226,487	5,114,940
Total Expenditures	13,638,700	8,158,227	5,480,473
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,113,198)	(811,681)	5,301,517
Other Financing Sources :			
Transfers Out	(4,518,644)	(4,820,078)	(301,434)
Total Other Financing Sources	(4,518,644)	(4,820,078)	(301,434)
Net Change in Fund Balances	(10,631,842)	(5,631,759)	5,000,083
Beginning Fund Balances	6,471,265	6,471,265	-0-
Ending Fund Balances	\$ (4,160,577)	\$ 839,506	\$ 5,000,083

The accompanying notes are an integral part of this financial statement.

SANDY CITY
Statement of Net Assets
Proprietary Funds
June 30, 2010

	Business - Type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Alta Canyon Sports Center	Water	Waste	Golf	TOTALS	
ASSETS:						
Current Assets:						
Cash and Cash Equivalents	\$ 159,028	\$ 8,896,732	\$ 1,704,050	\$ 25,348	\$ 10,785,158	\$ 11,719,987
Receivables - Net	358,159	1,985,716	378,275	23,420	2,745,570	377,465
Deposits	-0-	250,000	-0-	-0-	250,000	-0-
Due from other Governments	-0-	888,459	-0-	-0-	888,459	-0-
Prepaid Assets	-0-	-0-	208,950	-0-	208,950	11,352
Deferred Charges	-0-	132,141	-0-	307,942	440,083	-0-
Inventories	-0-	651,053	-0-	187,517	838,570	92,889
Total Current Assets	517,187	12,804,101	2,291,275	544,227	16,156,790	12,201,693
Noncurrent Assets:						
Investment in Joint Venture	-0-	-0-	5,741,934	-0-	5,741,934	-0-
Capital Assets						
Water Rights & Capacity	-0-	40,400,658	-0-	-0-	40,400,658	-0-
Land, Building, Plant, and Equipment	4,627,127	118,508,552	-0-	5,450,150	128,585,829	22,509,363
Accumulated Depreciation	(3,625,458)	(51,158,669)	-0-	(207,748)	(54,991,875)	(16,053,185)
Construction in Progress	-0-	10,452,380	-0-	6,706	10,459,086	756,867
Total Capital Assets	1,001,669	118,202,921	-0-	5,249,108	124,453,698	7,213,045
Total Noncurrent Assets	1,001,669	118,202,921	5,741,934	5,249,108	130,195,632	7,213,045
Total Assets	1,518,856	131,007,022	8,033,209	5,793,335	146,352,422	19,414,738
LIABILITIES :						
Current Liabilities:						
Accounts Payable	21,600	804,057	687,564	48,949	1,562,170	148,129
Salaries & Benefits Payable	63,470	121,460	8,524	35,728	229,182	67,235
Accrued Interest Payable	-0-	34,456	-0-	78,983	113,439	-0-
Claims & Judgements Payable	-0-	-0-	-0-	-0-	-0-	271,153
Due to Other Governments	-0-	-0-	-0-	13,791	13,791	-0-
Deferred/Unearned Income	428,912	-0-	-0-	-0-	428,912	398,566
Deposits	19,018	638,019	-0-	31,073	688,110	-0-
Compensated Absences	-0-	-0-	-0-	-0-	-0-	76,282
Bonds Payable	-0-	295,000	-0-	195,000	490,000	-0-
Other Payables	-0-	211,500	-0-	-0-	211,500	-0-
Total Current Liabilities	533,000	2,104,492	696,088	403,524	3,737,104	961,365
Noncurrent Liabilities						
Compensated Absences	-0-	-0-	-0-	-0-	-0-	1,550,995
Bonds Payable	-0-	5,809,498	-0-	3,473,931	9,283,429	-0-
Notes Payable	-0-	13,091,850	-0-	-0-	13,091,850	-0-
Total Noncurrent Liabilities:	-0-	18,901,348	-0-	3,473,931	22,375,279	1,550,995
Total Liabilities	533,000	21,005,840	696,088	3,877,455	26,112,383	2,512,360
NET ASSETS:						
Invested In Capital Assets, Net of Related Debt	1,001,669	99,006,573	-0-	1,580,177	101,588,419	7,213,045
Unrestricted	(15,813)	10,994,609	7,337,121	335,703	18,651,620	9,689,333
Total Net Assets	\$ 985,856	\$ 110,001,182	\$ 7,337,121	\$ 1,915,880	120,240,039	\$ 16,902,378
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					801,966	
Net assets of business-type activities (page 35)					\$ 121,042,005	

The accompanying notes are an integral part of this financial statement.

SANDY CITY

Statement of Revenues, Expenses, and Changes in Fund Net Assets

Proprietary Funds

For the Year Ended June 30, 2010

	Business - Type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Alta Canyon Sports Center	Water	Waste	Golf	TOTALS	
Operating Revenues:						
Charges for Sales & Services	\$ 690,227	\$ 18,547,576	\$ 4,152,801	\$ 1,256,416	\$ 24,647,020	\$ 6,518,257
Fees from Developers	-0-	129,146	-0-	-0-	129,146	-0-
Miscellaneous Revenues	-0-	-0-	-0-	-0-	-0-	20,832
Total Operating Revenues	690,227	18,676,722	4,152,801	1,256,416	24,776,166	6,539,089
Operating Expenses:						
Salaries and Benefits	754,050	1,751,996	236,750	512,698	3,255,494	1,738,933
Materials & Supplies	149,235	508,808	59,346	167,012	884,401	32,327
Contracted Services	55,505	374,070	-0-	41,303	470,878	1,099,788
Internal Charges	33,214	464,954	123,677	89,303	711,148	27,054
Administrative Charges	67,578	883,835	329,218	42,468	1,323,099	432,873
Cost of Goods Sold	33,227	3,909,328	3,055,381	212,046	7,209,982	995,513
Non-Capital Improvements	10,105	4,387,101	-0-	474	4,397,680	360,874
Depreciation	57,004	3,322,688	-0-	41,221	3,420,913	1,586,566
Total Operating Expenses	1,159,918	15,602,780	3,804,372	1,106,525	21,673,595	6,273,928
Operating Income (Loss)	(469,691)	3,073,942	348,429	149,891	3,102,571	265,161
Nonoperating Revenues (Expenses):						
Property Taxes	397,702	-0-	-0-	-0-	397,702	390,199
Interest Income	35	70,941	10,732	-0-	81,708	80,257
Cell Tower Lease	35,265	197,583	-0-	-0-	232,848	-0-
Equity Earnings from Joint Venture	-0-	-0-	(4,939)	-0-	(4,939)	-0-
Other Income (Expense)	140	(3,112)	-0-	32,962	29,990	-0-
Gain (Loss) on Disposal of Asset	-0-	9,865	-0-	-0-	9,865	83,356
Bond Interest Expense	-0-	(867,196)	-0-	(195,393)	(1,062,589)	-0-
Total Nonoperating Revenues (Expenses):	433,142	(591,919)	5,793	(162,431)	(315,415)	553,812
Income (Loss) Before Capital Contributions and Transfers	(36,549)	2,482,023	354,222	(12,540)	2,787,156	818,973
Contributions from Developers	-0-	435,129	-0-	-0-	435,129	-0-
Transfers In	-0-	-0-	-0-	150,000	150,000	20,000
Transfers Out	-0-	-0-	-0-	-0-	-0-	(830,160)
Total Contributions and Transfers	-0-	435,129	-0-	150,000	585,129	(810,160)
Change in Net Assets	(36,549)	2,917,152	354,222	137,460	3,372,285	8,813
Beginning Net Assets	1,022,405	107,084,030	6,982,899	1,778,420		16,893,565
Ending Net Assets	\$ 985,856	\$ 110,001,182	\$ 7,337,121	\$ 1,915,880		\$ 16,902,378
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					(4,636)	
Change in net assets of business-type activities (page 37)					\$ 3,367,649	

The accompanying notes are an integral part of this financial statement.

SANDY CITY
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2010

	Business - Type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Alta Canyon Sports Center	Water	Waste	Golf	TOTALS	
Cash Flows from Operating Activities:						
Receipts from Customers	\$ 694,995	\$ 18,521,037	\$ 4,150,244	\$ 1,316,312	\$ 24,682,588	\$ 6,542,219
Payments to Suppliers	(345,786)	(11,276,898)	(3,360,305)	(570,739)	(15,553,728)	(2,544,421)
Payments to Employees	(749,345)	(1,714,584)	(234,850)	(501,364)	(3,200,143)	(1,756,772)
Net Cash Provided (Used) by Operating Activities	(400,136)	5,529,555	555,089	244,209	5,928,717	2,241,026
Cash Flows from Noncapital Financing Activities:						
Tax Receipts	402,525	-0-	-0-	-0-	402,525	389,664
Cash Received (Paid) on Interfund Loan	-0-	17,765	-0-	(17,765)	-0-	-0-
Transfers from Other Funds	-0-	-0-	-0-	150,000	150,000	(810,160)
Net Cash Provided (Used) from Noncapital Financing Activities	402,525	17,765	-0-	132,235	552,525	(420,496)
Cash Flows from Capital and Related Financing Activities:						
Acquisition of Capital Assets	-0-	(5,578,658)	-0-	-0-	(5,578,658)	(1,832,051)
Capital Grants and Contributions	-0-	(94,915)	-0-	-0-	(94,915)	-0-
Principal Paid on Revenue Bonds	-0-	(1,028,040)	-0-	(141,242)	(1,169,282)	-0-
Interest Paid on Revenue Bonds	-0-	(864,533)	-0-	(209,854)	(1,074,387)	-0-
Proceeds from Cell Tower Leases	35,265	197,583	-0-	-0-	232,848	-0-
Proceeds from Sale of Capital Assets	-0-	7,200	-0-	-0-	7,200	108,071
Net Cash Provided (Used) by Capital and Related Financing Activities	35,265	(7,361,363)	-0-	(351,096)	(7,677,194)	(1,723,980)
Cash Flows from Investing Activities:						
Interest Income Received	35	70,941	10,732	-0-	81,708	80,257
Net Increase (Decrease) in Cash and Cash Equivalents	37,689	(1,743,102)	565,821	25,348	(1,114,244)	176,807
Cash and Cash Equivalents - Beginning of Year	121,339	10,639,834	1,138,229	-0-	11,899,402	11,543,180
Cash and Cash Equivalents - End of Year	\$ 159,028	\$ 8,896,732	\$ 1,704,050	\$ 25,348	\$ 10,785,158	\$ 11,719,987
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) By Operating Activities:						
Operating Income (Loss)	\$ (469,691)	\$ 3,073,942	\$ 348,429	\$ 149,891	\$ 3,102,571	\$ 265,161
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) By Operating Activities:						
Depreciation	57,004	3,322,688	-0-	41,221	3,420,913	1,586,566
Other Non-Operating Income (Expenses)	-0-	-0-	-0-	-0-	-0-	-0-
Increase (Decrease) Due to Changes in:						
Accounts Receivables	(2,867)	(166,708)	2,032	40,698	(126,845)	3,130
Inventories	-0-	(102,364)	-0-	(51,586)	(153,950)	(34,553)
Prepaid Assets	-0-	-0-	(208,950)	-0-	(208,950)	404,648
Accounts Payable	3,078	(646,438)	416,267	33,453	(193,640)	33,913
Salaries & Benefits Payable	4,705	37,412	1,900	11,334	55,351	(17,839)
Deferred Revenue	7,617	(22,778)	-0-	-0-	(15,161)	-0-
Customer Deposits	18	33,801	(4,589)	19,198	48,428	-0-
Net Cash Provided (Used) by Operating Activities	\$ (400,136)	\$ 5,529,555	\$ 555,089	\$ 244,209	\$ 5,928,717	\$ 2,241,026
Noncash Investing, Capital, and Financing Activities:						
Contributions of Capital Assets From Developers	-0-	435,129	-0-	-0-	435,129	-0-
Increase in Investments in Joint Venture	-0-	-0-	(4,939)	-0-	(4,939)	-0-

The accompanying notes are an integral part of this financial statement.

SANDY CITY
Notes to the Financial Statements
June 30, 2010

Note 1 - Summary of Significant Accounting Policies

Reporting Entity

The City operates under the council-mayor optional form of government. The City Council, comprising seven elected individuals, is the governing authority for the City. The elected Mayor, with no voting rights on the City Council, has various administrative and veto powers. The City Council establishes City policy, approves the budget, and ratifies the appointment of City Officials. The City Council is authorized to issue bonds, incur short-term debt, levy property taxes, and is not dependent on any other unit of local government.

As required by Accounting Principles Generally Accepted in the United States of America (GAAP), these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations. Therefore, data from these units are combined with data of the primary government. Each blended unit has a June 30 year end.

Blended Component Units

The Sandy Redevelopment Agency (RDA) was legally created as authorized by the Utah Neighborhood Development Act. The City Council is designated by ordinance as the governing body of the RDA. Therefore, the RDA is part of the City's reporting entity because the City has accountability for all significant fiscal and operating matters. The RDA is reported as a major governmental fund.

The Alta Canyon Recreation Special Service District (the District) was legally created as authorized by the Utah Special Service District Act. The District is within the boundaries of the City and services the northeast quadrant. The District's Advisory Board comprises seven elected individuals. The Advisory Board establishes District policy, appoints the District officials, advises the City with respect to collection and disbursement of funds, and is responsible for funding deficits. The District also has the following powers: to sue and be sued, eminent domain, to enter into contracts, and to acquire and construct facilities. Of equal importance, no tax may be levied and no bonds will be issued unless authorized by a majority of the qualified voters of the District.

The City Council approves the District's budget, property tax rate, issuance of long-term debt, and can, at its discretion, dissolve the District. The District provides services which almost exclusively benefit the City. As of January 1, 2003, the District requested the City to take over the management of its daily operations. The District is reported as a blended component unit in the enterprise funds section of the financial statements.

Investment in Joint Venture

The City is a partner with neighboring cities in a joint venture known as Trans-Jordan Cities. The purpose of this joint venture is to provide solid waste management and disposal services. Investment in this joint venture is accounted for using the equity method (see note 9 on page 60).

SANDY CITY
Notes to the Financial Statements
June 30, 2010

Related Organizations

The City also has activities with Metropolitan Water District of Salt Lake and Sandy (MWDSLS). City Officials appoint members to the board of directors, but the City's accountability does not extend beyond making the appointments.

Government-wide and Fund Financial Statements

The government-wide financial statements (the statement of net assets and the statement of activities) report information on all of the activities of the primary government. For the most part, interfund activity has been removed from these statements. Governmental activities, which are largely supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which are supported to a significant extent by charges for services.

The statement of activities demonstrates the degree to which the direct expenses for a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function or segment. Program revenues include i) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and ii) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for the governmental funds, proprietary funds, and internal service funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the basic financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Basis of accounting refers to when revenues or expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounting and reporting treatment applied to a fund is determined by its measurement focus. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. All governmental fund financial statements are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. This means that only current assets and current liabilities are generally included on their balance sheets. Governmental funds operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

All governmental fund financial statements are maintained and reported using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available as net current assets. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period, generally 60

SANDY CITY
Notes to the Financial Statements
June 30, 2010

days. Principal revenue sources susceptible to accrual include property taxes, sales taxes, franchise taxes, special assessments, and interest on investments. Furthermore, expenditures are recorded when fund liabilities are incurred.

The enterprise and internal service fund financial statements are reported using the accrual basis of accounting. These funds are accounted for on a cost of services or "economic resources" measurement focus. This means all assets and liabilities (whether current or non-current) associated with their activity are included on their balance sheets. The City applies all applicable Governmental Accounting Standards Board (GASB) pronouncements to proprietary funds. Pronouncements of the Financial Accounting Standards Board (FASB) are applied if issued on or before November 30, 1989 and do not conflict with GASB pronouncements.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues for the City's enterprise and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Description of Funds

The City reports the following major governmental funds:

The **general fund** is the government's primary operating fund. It accounts for the normal activities of the City (police, fire, public works, parks, community development, general government, etc.). These activities are funded principally by property taxes, sales and use taxes, franchise taxes, licenses, and permits.

The **storm water fund** accounts for the City's revenues and capital expenditures associated with drainage for storm water runoff.

The **debt service fund** is used to account for the accumulation of resources for payment of general long-term debt principal and interest and special assessment levies when the City is obligated in some manner for the payment.

The **capital projects fund** accounts for the resources used to acquire, construct, and improve major capital facilities, other than those financed by proprietary funds. Capital projects funds allow the City to compile project cost data and demonstrate legal or contractual requirements regarding the use of the resources are fully satisfied. The principal source of funding is contributions from developers restricted for capital construction, transfers from the general fund, grants, and bonding. All funds received for a particular purpose are restricted and used specifically for that purpose.

SANDY CITY
Notes to the Financial Statements
June 30, 2010

The **RDA fund** accounts for the City's revenues and expenditures associated with promoting new capital investment and job creation within the City.

The City reports the following major proprietary funds:

The **Alta Canyon Sports Center fund** accounts for the activities created by the Alta Canyon Recreation Special Service District. The main activity is a recreation center located within the District.

The **water fund** is used to account for the operations of the City's water utility.

The **waste fund** accounts for waste collection services provided by an independent contractor.

The **golf fund** is used to account for the City's golf course.

Additionally, the City reports the following fund type:

The **internal service funds** account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost reimbursement basis. The internal service funds include the fleet fund, the information services fund, the risk management fund, the equipment management fund, and the payroll management fund.

Budget Operation

The City operates within the budget requirements as specified by Utah state law. The financial reports reflect the following budget standards:

1. For the fiscal year beginning July 1, the budget officer prepares a tentative budget which is presented to the City Council on or before the first regularly scheduled meeting in May.
2. By resolution, the City Council legally adopts the final budget on or before June 22, after appropriate public hearings have been held. However, if there is a change to the certified tax rate, the final budget can be adopted as late as August 17.
3. Once adopted, the budget can be amended by subsequent City Council action. Reductions in or reallocations of departmental appropriations can be approved by the City Council upon recommendation of the Budget Officer, but increased appropriations require a public hearing prior to amending the budget. Transfers of unexpended appropriations from one expenditure account to another in the same department can be made with the approval of the Budget Officer.
4. Interim adjustments in estimated revenue and departmental appropriations during the fiscal year 2010 have been included in the final budget approved by the City Council, as presented in the financial statements. These amendments were not material in relation to the original appropriations.

SANDY CITY
Notes to the Financial Statements
June 30, 2010

5. As determined by Utah state law, the level for which expenditures may not legally exceed appropriations is the departmental budget within a given fund.
6. Budgets for the general, special revenue, debt service (general purposes debt service fund only), and capital projects funds are adopted on a basis consistent with GAAP. Special assessment funds are grouped with debt service funds. Operating and capital budgets are required by Utah state law for proprietary fund types, although such budgets are not required to be presented in the financial statements. In addition, budgets for special assessment funds are not required by Utah state law.
7. All unexpended appropriations lapse at the end of the budget year. However, unexpended capital projects fund appropriations may be reappropriated by a resolution of the City Council without holding public hearings.

Encumbrances

Encumbrance accounting is not employed by the City.

Cash, Cash Equivalents, and Investments

The City complies with GASB Statement No. 31 *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. The statement requires certain investments to be reported at fair value and the change in fair value to be included in revenues or expenses. The City's policy is to report all investments at fair value. The City's investment in the State Treasurer's Pool has a fair value equivalent to the value of the pool shares. In all statements, the City considers cash on hand, demand deposits, and highly liquid short-term investments as cash and cash equivalents.

Inventory

Inventories are stated at the lower of cost, determined on the first-in first-out basis, or market.

Prepaid Assets

Prepaid assets are accounted for using the consumption method in the governmental funds.

Deferred Charges

Deferred charges represent issuance costs on bonds which are amortized over the life of the issue using the bonds outstanding or straight-line method, which approximates the interest method.

Interfund Transactions

In the normal course of its operations, the City has various transactions between funds. Various City funds provide a number of services such as administrative, fleet operations, information services, insurance and risk management, *etc.* to other City funds. Charges are treated as revenues in the fund providing the service and as operating expenses in the fund receiving the service. Non-recurring and non-routine transfers are accounted for as changes in fund balance. Other transfers are recognized as transfers in and out, respectively, by the funds

SANDY CITY
Notes to the Financial Statements
June 30, 2010

involved. Short-term payables are shown as due to/from other funds. Long-term payables are shown as advances to/from other funds.

Water Rights

Water stock, rights, and capacity are stated at cost.

Capital Assets

Capital assets, which include water rights and capacity, land, buildings and systems, improvements other than buildings, vehicles, machinery and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an individual cost of more than \$7,500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost when actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date donated. Depreciation on buildings and systems, improvements other than buildings, vehicles, machinery and equipment, and infrastructure (other than the roadway system) is computed using the straight-line method over the following estimated useful lives:

Wells	25 years
Water Tanks	25 years
Distribution Mains	33 years
Buildings and Structures	20-40 years
Pumps	8 years
Machinery and Equipment	5-10 years
Vehicles	5-15 years
Office Furniture and Equipment	5-10 years
Street Lights and Traffic Signals	30-50 years
Storm Water Improvements	40 years
Pools	30 years
Infrastructure	25 years

Modified Approach

With the implementation of GASB Statement No. 34, Sandy City began capitalizing roadway system infrastructure in fiscal year 2003. The City elected to follow the modified approach to account for this infrastructure. The City has made a commitment to preserve and maintain the roadway system of infrastructure assets at a condition level determined by the City. The City's Public Works department is responsible for determining the appropriate condition level at which the roadway system is to be maintained. No depreciation expense is reported for the roadway system after July 1, 2002; however, the estimated historical cost of roadway system infrastructure up to July 1, 2002 was recorded in total along with corresponding accumulated depreciation. Amounts capitalized in connection with improvements that lengthen the life of the roadway system are not

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reported unless the improvements also increase its service potential. The City maintains an inventory of the roadway system and performs periodic condition assessments to establish that the predetermined condition level is being maintained. Annual estimates are made by the City of the amounts that must be expended to preserve and maintain the roadway system at the predetermined condition levels.

Contributions

Certain proprietary funds receive contributions for aid in construction from various sources and are reflected as non-operating revenue.

Utility Revenue

Throughout the year, revenue in the water, storm water, waste, and electric utility funds is recorded when billed. At year end, each fund records, as unbilled receivables and revenue, an amount which approximates revenue from the last meter reading or billing date at fiscal year end.

Deferred Revenue

Deferred property tax revenue as of June 30, 2010, consists of property taxes levied for fiscal year 2009-2010 and collected in advance or recorded as a receivable. Deferred special assessment revenue as of June 30, 2010, consists of special assessments levied but not collected or available to pay liabilities of the current period.

Comparative Data/Reclassifications

Comparative total data for the prior year have been presented in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

Note 2 - Reconciliation of Government-Wide and Fund Financial Statements

Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Assets

The governmental fund balance sheet includes a reconciliation between fund balance for total governmental funds and net assets for governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that some of the City's revenues will be collected after year end, but are not available soon enough to pay for the current period's expenditures, and are therefore reported as receivables. The \$858,710 in receivables consists of \$484,448 of delinquent property taxes and \$374,262 of justice court receivables.

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Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances for total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The \$9,662,214 difference consists of \$12,794,978 of capital outlays less \$3,132,764 depreciation expense.

Another element of that reconciliation states that “the issuance of long term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net assets. Also, governmental funds report the effect of issuance cost, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The \$(2,237,630) represents \$4,770,000 in principal payments, \$4,180,000 in refunded bonds, \$(11,386,242) in bond proceeds, and \$198,612 in capitalized issuance costs.

Note 3 - Property Taxes

The property tax revenue of Sandy City is collected and distributed by the Salt Lake County Treasurer as an agent for the City. Utah state laws establish the process by which taxes are levied and collected. The property tax calendar is as follows:

1. By March 1, the City notifies the County Commission to establish a proposed date, time, and place for a tax rate adoption hearing.
2. By March 31, the County Treasurer settles property taxes charged and collected for the previous year.
3. By June 8, the County Auditor sends valuation, certified tax rate, and levy worksheet forms to the City.
4. Before June 22, the City adopts a proposed tax rate and certifies the tax rate with the County Auditor.
5. Before July 22 (if the City adopts a tax rate higher than the certified tax rate), the County Auditor mails a notice of intent to exceed the certified tax rate to property owners. This notice is normally combined with the tax notice.
6. By August 17, the City adopts the final tax rate and certifies the tax rate with the County Auditor.
7. Between August 8 and August 22, taxpayers may petition the County Board of Equalization for an adjustment in the taxable value of the real property.
8. By November 1, the County Auditor approves changes in taxable value of the real property and the County Treasurer mails tax notices with a due date of November 30. Payments made after November 30 are considered delinquent and are subject to a penalty.
9. Unless the delinquent taxes and penalties are paid before January 15, a lien is attached to the real property, and the amount of taxes and penalties bear interest from January 1 until paid. If after five years, delinquent taxes have not been paid, the County sells the property at a tax sale.

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With the July 1, 2000 adoption of Statement of Governmental Accounting Standards (SGAS) No. 33, more fully described below, Sandy City changed its method of accounting for property taxes. SGAS No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, defines a nonexchange transaction as one in which “a government either gives value to another party without directly receiving equal value in exchange or receives value from another party without directly giving equal value in exchange.” For property taxes, at January 1 of each year (the assessment date), the City has the legal right to collect the taxes and has recorded a receivable and a corresponding deferred revenue for the assessed amount of those property taxes as of January 1, 2010. Most of the tax will not be received until the following fiscal year.

Note 4 - Cash and Cash Equivalents

Detailed cash and cash equivalent accounting records are maintained for each individual fund. However, to provide the maximum amount of interest earnings on all funds of the City, all cash is pooled for investment purposes.

The City follows the requirements of the Utah Money Management Act (*Utah Code*, Section 51, Chapter 7) in handling its depository and temporary investment transactions. This law requires the depositing of City funds in a “qualified depository.” The Act defines a “qualified depository” as any financial institution whose deposits are insured by an agency of the Federal government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements as defined in Rule 11 of the Utah Money Management Act. Rule 11 establishes the formula for determining the amount of public funds which a qualified depository may hold in order to minimize risk of loss and defines capital requirements which an institution must maintain to be eligible to accept public funds. The Utah Money Management Act also defines the types of securities allowed as appropriate temporary investments for the City and the conditions for making investment transactions. Investment transactions are to be conducted through qualified depositories or primary reporting dealers.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City’s deposits may not be recovered. The City’s deposits are insured up to \$250,000 per bank by the Federal Deposit Insurance Corporation (FDIC), with the exception of the Gold International Sweep Account held with Zions Bank. The amount in this account as of June 30, 2010, was \$826,546. Deposits above \$250,000 per bank are exposed to credit risk. The bank balance of the City’s deposits totaled \$1,817,970, with a carrying value of \$1,370,851. Of this amount, \$500,000 was insured and the remaining \$1,317,970 was uninsured and uncollateralized. The City has no formal policy regarding deposit credit risk.

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A summary of restricted and unrestricted cash and cash equivalents at June 30, 2010 is as follows:

	Cash and Cash Equivalents
Unrestricted	\$ 45,822,480
Restricted	13,087,985
Total	\$ 58,910,465
Deposits	\$ 1,370,851
Investments	57,539,614
Total	\$ 58,910,465

Note 5 - Investments

The City's investments are governed by state statutes. City funds are invested only in the following: (1) negotiable or nonnegotiable deposits of qualified depositories; (2) repurchase agreements with qualified depositories or primary reporting dealers, acting as principal for securities of the United States Treasury or other authorized investments, only if these securities are delivered to the custody of the City Treasurer or the City's safekeeping bank or are conducted with a qualified depository; (3) commercial paper that is classified as "first tier" by two nationally recognized statistical rating organizations, one of which must be Moody's Investor Service or Standard & Poor's; (4) bankers' acceptances that are eligible for discount at a federal reserve bank and which have a remaining term to maturity of 270 days or less; (5) negotiable interest bearing deposits of \$100,000 or more which have a remaining term to maturity of 365 days or less; (6) obligations of the United States Treasury including United States Treasury Bills, United States Treasury Notes, and United States Treasury Bonds; (7) obligations issued or fully guaranteed as to principal and interest by the following agencies or instrumentalities of the United States in which a market is made by a primary reporting government securities dealer: Federal Home Loan Banks, Federal Farm Credit Banks, Federal National Mortgage Association, Federal Agricultural Mortgage Corporation, Federal Home Loan Mortgage Corporation, Tennessee Valley Authority, or Student Loan Marketing Association; (8) the Utah State Treasurer's Investment Fund; and (9) fixed and variable rate corporate obligations that meet criteria under the Utah Money Management Act.

The City invests in the Public Treasurer's Investment Fund (PTIF) which is an external investment pool administered by the Utah State Treasurer. The PTIF is available for investment of funds administered by any Utah public treasurer. There is no required participation and no minimum balance or minimum/maximum transaction requirements.

The PTIF is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Utah Money Management Act. The Act establishes the Money Management Council which oversees the activities of the State Treasurer and the PTIF. Deposits in the PTIF are not insured or otherwise

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guaranteed by the state of Utah and participants share proportionally in any realized gains or losses on investments.

The PTIF allocates income and issues statements on a monthly basis. The PTIF operates and reports to participants on an amortized cost basis. The participant's balance is their investment deposited in the PTIF plus their share of income, gains, and losses net of administration fees which is allocated to each participant on the ratio of each participant's share to the total funds. The participant's monthly investment amount is based upon their average daily balance.

Twice a year, at June 30 and December 31, the investments are valued at fair value and participants are informed of the valuation factor that enables them to adjust their statement balances to fair value. As of June 30, 2010, the City's fair value investments in the PTIF was \$192,346 more than the amortized cost of \$50,334,399. The City's investments have been adjusted to show this increase in value. As of June 30, 2010, the City's \$50,526,745 investment in the PTIF had an average adjusted maturity of less than one year.

The City also invests in the Zions Liquid Asset Management (LAM) fund. The LAM fund invests in money market funds and short and intermediate-term fixed income securities (including taxable, tax-exempt or tax advantaged). The LAM fund meets the requirements of the Utah Money Management Act.

For the year ended June 30, 2010, the City's fair value investments in the LAM were \$3,800 less than the amortized cost of \$7,016,669. The City's LAM investment has been adjusted to show this decrease in value. As of June 30, 2010, the City's \$7,012,869 investment in the LAM fund had an average adjusted maturity of less than one year.

Credit Risk

Investment credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City's policy for reducing its exposure to credit risk is to comply with the Utah Money Management Act. The Act details authorized investments which are high-grade securities and, therefore, subject to very little credit risk except in the most unusual and unforeseen circumstances. The PTIF and LAM funds are not rated.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's policy for managing its exposure to fair value loss arising from increasing interest rates is to comply with the Utah Money Management Act. The Act requires the remaining term to maturity of investments not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity of all investments in commercial paper, bankers' acceptances, fixed rate negotiable deposits, and fixed rate corporate obligations to 270-365 days or less. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding two years.

As of June 30, 2010, the City had no investments requiring risk disclosure.

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Notes to the Financial Statements
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Note 6 - Restricted Assets

General fund activity in unexpended state road funds, during fiscal year 2010, that are required by Utah state law to be restricted for road construction and maintenance, are summarized as follows:

State Road Allotment	\$ 2,856,981
Expenditures: Highway Maintenance	<u>(2,856,981)</u>
Unexpended State Road Allotment	<u>\$ -0-</u>

Debt Service Fund

Pursuant to Utah state law and the bond indentures of the Auto Mall Special Improvement District Special Assessment Bonds, the City has created a Special Improvement Guarantee Fund. The assets of the Special Improvement Guarantee Fund are restricted for payment of maturing special improvement bonds and interest accruing thereon of \$196,000. As of June 30, 2010, the amount held of \$196,000 was in compliance with funding requirements.

Pursuant to Utah state law and the bond indentures of the South Towne Ridge Special Assessment Bonds, the City has created a Special Improvement District Fund. The assets of the Special Improvement District Fund are restricted for payment of maturing special improvement bonds and interest accruing thereon of \$76,200. As of June 30, 2010, the amount held of \$76,200 was in compliance with funding requirements.

Pursuant to the 2007B Subordinate Transient Room Tax and Annual Contribution Revenue Bonds, the City is required to have a debt service reserve of \$800,000. As of June 30, 2010, the City was in compliance with funding requirements.

Pursuant to the 2008 Community Development Tax Increment and Revenue Bonds (9400 South CDA) agreement, the City is required to have a debt service reserve of \$863,836. As of June 30, 2010, the City was in compliance with funding requirements.

Other Governmental Funds

Restricted assets represent unexpended receipts which are restricted for use on future capital projects. The changes in restricted balances during fiscal year 2010 are summarized as follows:

	Storm Water	Road Funds	Capital Projects Fund						RDA Fund	Debt Service Funds
			Park & Trail Fees	Grants & Court Surcharge	Road Bond	Sale of Land	Other	Total		
Balance - July 1, 2009	\$ -0-	\$ 73,625	\$ 515,613	\$ 1,193,801	\$ 1,644,415	\$ 2,561,702	\$ 560,406	\$ 6,475,937	\$ 127,552	\$ 2,643,536
Additions:										
Fees, Bond Proceeds, & Transfers In	7,000,000	1,107,080	166,660	4,705,042	-0-	335,250	26,747	5,233,699	-0-	-0-
Interest Earnings	-0-	2,225	2,133	692	12,995	9,271	688	25,779	637	-0-
Reductions: Expenditures & Transfers Out	-0-	(567,092)	(455,873)	(4,965,133)	(929,267)	(1,880,555)	(5,034)	(8,235,862)	(91,631)	(707,500)
Balance - June 30, 2010	\$ 7,000,000	\$ 615,838	\$ 228,533	\$ 934,402	\$ 728,143	\$ 1,025,668	\$ 582,807	\$ 3,499,553	\$ 36,558	\$ 1,936,036

SANDY CITY
Notes to the Financial Statements
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Business-Type Funds

There are no restricted assets in the business-type funds.

Note 7 - Receivables

The \$13,835,360 in governmental receivables found in the Statement of Net Assets consists of \$12,337,769 in taxes, \$751,000 in special assessments, \$668,291 in billing receivables, and \$78,300 in other receivables.

The \$2,745,570 in business-type activities receivables are comprised of \$3,165,736 in billing receivables (less \$795,220 allowance for uncollectible accounts), \$356,355 in taxes receivable, and other receivables of \$18,699. The City expects to collect all of these receivables during fiscal year 2011.

The water fund has \$1,172,000 in receivables that are not recorded as revenue or a receivable in the financial statements due to a high likelihood of being uncollectible. This receivable arises from a lease agreement between the water fund and the Jordanelle Special Improvement District (JSID) for water from the Ontario Drain Tunnel. The City is actively pursuing collection and revenue will be recorded when payment is received from JSID.

Note 8 - Due From/To Other Funds

Short term interfund loans at June 30, 2010 are summarized as follows:

Fund	Due From Other Funds	Due to Other Funds
Governmental Funds:		
Redevelopment Agency - South Towne	\$ 16,727	
CDBG		\$ 16,727
Total	\$ 16,727	\$ 16,727

The interfund loan is for expenses incurred in the CDBG fund that will be reimbursed by federal Community Development Block Grant funds the following year.

Note 9 - Joint Venture

The City has a 31.06 percent ownership in Trans-Jordan Cities (the Association). The Association was organized in 1968 as a joint enterprise fund of the cities of Midvale, West Jordan, Murray, and Sandy, Utah. In 1997 the Association was joined by the City of South Jordan, and the Cities of Draper and Riverton joined in 1998. The primary purpose of the Association is the operation, maintenance, and control of a refuse dumping site situated east of Bingham Canyon in Salt Lake County. The percentage interest in operations for each of the entities is as follows:

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Notes to the Financial Statements
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Sandy City	31.06%
West Jordan City	24.67
Murray City	8.67
Midvale City	5.51
South Jordan	11.80
Draper	9.02
Riverton	<u>9.27</u>
Total	<u>100.00%</u>

The Association is governed by its own Board of Directors. Under the Organization Agreement, the board is composed of the Mayors, or their appointed representatives, of the seven participating cities. The Board of Directors appoints the management and staff of the Association and approves all financial matters such as the operating budget and usage fees.

The following is a summary of audited financial information of the Association for the fiscal year ended June 30, 2010:

Assets:

Current Assets	\$ 12,968,780
Capital Assets - Net	5,552,059
Non Current Assets	<u>4,512,118</u>
Total Assets	<u>23,032,957</u>

Liabilities:

Current Liabilities	292,182
Noncurrent Liabilities	<u>4,254,187</u>
Total Liabilities	<u>4,546,369</u>

Net Assets:

Invested in Capital Assets, Net of Related Debt	5,552,059
Unrestricted	<u>12,934,529</u>
Total Net Assets	<u>\$ 18,486,588</u>

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Income Statement:

Operating Revenue	\$ 4,969,756
Operating Expenses	<u>5,420,975</u>
Operating Loss	(451,219)
Non-Operating Income	435,509
Capital Contributions	<u>390,502</u>
Change in Net Assets	<u>\$ 374,792</u>

The City paid \$541,213 to the Association for landfill costs during fiscal year 2010. Complete financial statements for the Association may be obtained at the following address:

Trans-Jordan City Landfill
PO Box 95610
South Jordan, Utah 84095-0610

Note 10 - Capital Assets

The following tables summarize the changes in capital assets for governmental and business-type activities during the year ended June 30, 2010:

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June 30, 2010

	Beginning Balance	Additions	Deletions	Ending Balance
Government Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 217,211,517	\$ 367,044	\$ 160,657	\$ 217,417,904
Infrastructure	121,964,155	1,440,661	-0-	123,404,816
Construction in Progress	19,468,018	11,299,067	6,334,908	24,432,177
Total Capital Assets, Not Being Depreciated	358,643,690	13,106,772	6,495,565	365,254,897
Capital Assets, Being Depreciated:				
Buildings	36,411,462	8,751	-0-	36,420,213
Non-Building Improvements	20,799,911	1,018,313	-0-	21,818,224
Machinery & Equipment	8,510,923	593,752	125,161	8,979,514
Autos & Trucks	15,914,623	1,112,801	902,057	16,125,367
Street Lights	10,262,124	-0-	-0-	10,262,124
Storm Water	31,907,033	5,208,548	-0-	37,115,581
Total Capital Assets being depreciated	123,806,076	7,942,165	1,027,218	130,721,023
Less Accumulated Depreciation:				
Buildings	10,337,761	910,396	-0-	11,248,157
Non-Building Improvements	8,924,478	861,198	-0-	9,785,676
Machinery & Equipment	6,419,197	475,725	32,273	6,862,649
Autos & Trucks	10,532,846	1,272,286	883,231	10,921,901
Street Lights	3,108,650	342,071	-0-	3,450,721
Storm Water	10,786,908	857,654	-0-	11,644,562
Total Accumulated Depreciation	50,109,840	4,719,330	915,504	53,913,666
Total Capital Assets, Being Depreciated, Net	73,696,236	3,222,835	111,714	76,807,357
Governmental Activities Capital Assets, Net	\$ 432,339,926	\$ 16,329,607	\$ 6,607,279	\$ 442,062,254

	Beginning Balance	Additions	Deletions	Ending Balance
Business-Type Activities:				
Capital Assets, Not Being Depreciated:				
Water Rights & Capacity	\$ 40,006,423	\$ 394,235	\$ -0-	\$ 40,400,658
Land	6,862,735	24,499	-0-	6,887,234
Construction in Progress	17,641,698	2,201,368	9,383,980	10,459,086
Total Capital Assets, Not Being Depreciated	64,510,856	2,620,102	9,383,980	57,746,978
Capital Assets, Being Depreciated:				
Buildings	4,368,868	7,634,615	-0-	12,003,483
Non-Building Improvements	3,738,476	724,453	-0-	4,462,929
Main Lines	70,849,479	3,181,774	-0-	74,031,253
Wells	14,592,812	1,033,980	-0-	15,626,792
Storage Tanks	9,732,745	73,546	-0-	9,806,291
Pump Equipment	2,967,253	-0-	-0-	2,967,253
Pool	605,364	-0-	-0-	605,364
Autos & Trucks	1,065,053	61,485	-0-	1,126,538
Machinery & Equipment	1,007,632	239,311	178,250	1,068,693
Total Capital Assets being depreciated	108,927,682	12,949,164	178,250	121,698,596
Less Accumulated Depreciation:				
Buildings	1,679,095	202,318	-0-	1,881,413
Non-Building Improvements	2,683,270	98,582	-0-	2,781,852
Main Lines	31,903,495	2,055,545	-0-	33,959,040
Wells	4,772,456	553,146	-0-	5,325,602
Storage Tanks	6,694,303	276,305	-0-	6,970,608
Pump Equipment	2,562,612	53,942	-0-	2,616,554
Pool	483,834	20,180	-0-	504,014
Autos & Trucks	169,363	114,230	-0-	283,593
Machinery & Equipment	631,949	46,665	9,414	669,200
Total Accumulated Depreciation	51,580,377	3,420,913	9,414	54,991,876
Total Capital Assets, Being Depreciated, Net	57,347,305	9,528,251	168,836	66,706,720
Business-Type Activities Capital Assets, Net	\$ 121,858,161	\$ 12,148,353	\$ 9,552,816	\$ 124,453,698

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Depreciation expense for the year ended June 30, 2010, for governmental and business-type activities is shown in the following table:

Governmental Activities:

General Government	\$ 311,732
Police & Animal Control	183,682
Fire	220,040
Public Works	99,681
Parks, Landscapes and Cemetery	798,277
Community Development	39,988
Economic Development	6,786
Recreation and Cultural Events	247,379
Electric Utility	353,380
Storm Water Utility	871,819
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	1,586,566
Total Depreciation Expense - Governmental Activities	<u>\$ 4,719,330</u>

Business-Type Activities

Alta Canyon Sports Center	\$ 57,004
Water	3,322,688
Golf Course	41,221
Total Depreciation Expense - Business-Type Activities	<u>\$ 3,420,913</u>

Investment in Water Stock, Rights, and Capacity

The water fund had the following investments in water stock, rights, and capacity at June 30, 2010:

Water Stock:	<u>Shares</u>	<u>Cost</u>
Bell Canyon Irrigation Company	1,895	\$ 469,657
Cahoon and Maxfield Irrigation Company	50	1,856
Draper Irrigation Company	125	131,255
East Jordan Irrigation Company	179	394,680
Granite Water Company	271	353,309
Last Chance Ditch Company	504	26,437
Little Cottonwood Water Company	11,358	113,580
Nickle Irrigation Company	1,084	196,161
Sandy Canal Company	275	182,563
Sandy Irrigation Company	1,940	989,401
Tanner Ditch Company	6	611

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Notes to the Financial Statements
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Water Stock (continued):	<u>Shares</u>	<u>Cost</u>
Union East Jordan Irrigation Company	947	\$ 52,169
Walker Ditch	7	272
Welby Jacob Water Users Company	9	9,050
Provo Reservoir Water Users Company	52	780,248
Provo Bench Canal and Irrigation Company	1	27,975
North Jordan Irrigation Company	84	<u>199,500</u>
Total Water Stock		3,928,724
Water Rights - Thompson and Lym Ditches		38,581
Water Capacity		<u>36,433,353</u>
Total Water Stock, Rights and Capacity		<u>\$40,400,658</u>

Note 11 - Long-Term Liabilities

Revenue bonds and other long-term liabilities directly related to and intended to be paid from proprietary funds are included in the accounts of such funds. All other long-term obligations of the City are accounted for in the governmental activities of the government-wide statements. The following table summarizes changes in long-term obligations for the year ended June 30, 2010:

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June 30, 2010

	Rate (%)	Amount of Original Issue (bonds only)	Balance June 30, 2009	Additions	Retirements	Balance June 30, 2010	Due Within One Year
<u>Governmental Activities</u>							
General Obligation Bonds							
2005 General Obligation Bonds	3.50 to 5.00	\$ 3,650,000	\$ 1,770,000	\$ -0-	\$ 680,000	\$ 1,090,000	\$ 710,000
Revenue Bonds							
2000 Motor Fuel Excise Tax	4.25 to 5.25	7,075,000	1,070,000	-0-	1,070,000	-0-	-0-
2002 Sales Tax Revenue	3.00 to 5.25	10,180,000	6,225,000	-0-	4,835,000	1,390,000	680,000
2003 Sales Tax Revenue	1.75 to 4.60	7,225,000	3,315,000	-0-	165,000	3,150,000	170,000
2004 Sales Tax Revenue	3.00 to 5.00	16,520,000	12,610,000	-0-	850,000	11,760,000	900,000
2007 Motor Fuel Excise Tax	4.00 to 5.00	6,360,000	6,360,000	-0-	350,000	6,010,000	775,000
2007 Transient Room Tax	4.88	35,000,000	34,540,000	-0-	550,000	33,990,000	650,000
2009 Sales Tax Revenue	1.35 to 6.18	7,140,000	-0-	7,140,000	-0-	7,140,000	280,000
2010 Sales Tax Refunding	2.00 to 5.00	4,246,242	-0-	4,246,242	-0-	4,246,242	-0-
Special Assessment Bonds							
2002 Auto Mall Refunding	2.73 to 4.83	1,960,000	940,000	-0-	220,000	720,000	230,000
2002B South Towne Ridge Road	2.80 to 4.80	762,000	341,000	-0-	80,000	261,000	83,000
Tax Increment Bonds							
2008 Tax Increment Bond	4.84	11,040,000	11,040,000	-0-	-0-	11,040,000	335,000
Notes Payable							
HUD Section 108 Loan	2.62 to 4.62	2,515,000	1,325,000	-0-	150,000	1,175,000	165,000
Long-Term Compensated Absences		-0-	1,053,705	51,900	15,160	1,090,445	-0-
Internal Service Fund Debt							
Compensated Absences		-0-	1,660,271	48,368	81,362	1,627,277	76,282
Total Governmental Long-Term Obligations		113,673,242	82,249,976	11,486,510	9,046,522	84,689,964	5,054,282
<u>Business-Type Activities</u>							
Revenue Bonds							
2002B Sales Tax Revenue (Golf)	3.00 to 5.00	4,550,000	3,570,000	-0-	2,965,000	605,000	195,000
2004 Water Revenue and Refunding	2.50 to 5.00	9,965,000	6,900,000	-0-	825,000	6,075,000	295,000
2010 Sales Tax Refunding (Golf)	2.00 to 5.00	2,823,758	-0-	2,823,758	-0-	2,823,758	-0-
Long-Term Contract Payable		13,832,100	13,506,390	-0-	203,040	13,303,350	211,500
Total Business-Type Long-Term Obligations		31,170,858	23,976,390	2,823,758	3,993,040	22,807,108	701,500
Total Government Wide Long-Term Obligations		\$144,844,100	\$106,226,366	\$ 14,310,268	\$ 13,039,562	\$107,497,072	\$ 5,755,782

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The annual debt requirements to maturity, including principal and interest, as of June 30, 2010 are listed in the following tables:

Year Ending June 30	Governmental Activities							
	General Obligation Bonds		Revenue Bonds		Special Assessment Bonds		Tax Increment Bond	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 710,000	\$ 29,400	\$ 3,455,000	\$ 3,314,504	\$ 313,000	\$ 46,325	\$ 335,000	\$ 526,229
2012	380,000	7,600	3,655,000	3,172,465	327,000	31,904	350,000	509,652
2013	-0-	-0-	3,845,000	2,823,748	341,000	16,443	370,000	492,228
2014	-0-	-0-	4,215,920	2,652,046	-0-	-0-	390,000	473,836
2015	-0-	-0-	4,444,287	2,486,330	-0-	-0-	405,000	454,597
2016-2020	-0-	-0-	21,046,035	9,335,221	-0-	-0-	9,190,000	1,428,768
2021-2025	-0-	-0-	15,500,000	4,949,374	-0-	-0-	-0-	-0-
2026-2030	-0-	-0-	11,525,000	942,251	-0-	-0-	-0-	-0-
2031-2035	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Subtotal	\$ 1,090,000	\$ 37,000	\$ 67,686,242	\$ 29,675,939	981,000	94,672	11,040,000	3,885,310
Less: Unamortized (Premiums), Discount, and Costs	(10,205)		753,926		13,719		137,074	
Net Debt	<u>\$ 1,100,205</u>		<u>\$ 66,932,316</u>		<u>\$ 967,281</u>		<u>\$ 10,902,926</u>	

Year Ending June 30	Governmental Activities (Continued)				Business-Type Activities	
	Notes & Other Payables		Totals		Bonds & Other Payables	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 165,000	\$ 42,704	\$ 4,978,000	\$ 3,959,162	\$ 701,500	\$ 1,161,597
2012	175,000	37,128	4,887,000	3,758,749	847,630	1,136,719
2013	190,000	30,489	4,746,000	3,362,908	910,700	1,101,319
2014	200,000	22,860	4,805,920	3,148,742	975,930	925,214
2015	215,000	14,410	5,064,287	2,955,337	1,025,633	883,017
2016-2020	230,000	4,980	30,466,035	10,768,969	5,939,645	3,679,478
2021-2025	-0-	-0-	15,500,000	4,949,374	6,873,230	2,141,063
2026-2030	-0-	-0-	11,525,000	942,251	4,466,880	870,566
2031-2035	-0-	-0-	-0-	-0-	1,065,960	48,072
Subtotal	\$ 1,175,000	\$ 152,571	\$ 81,972,242	\$ 33,845,492	\$ 22,807,108	\$ 11,947,045
Less: Unamortized (Premiums), Discount, and Costs	4,693		899,207		170,412	
Net Debt	<u>\$ 1,170,307</u>		<u>\$ 81,073,035</u>		<u>\$ 22,636,696</u>	

General Obligation Bonds

On September 27, 2005, the City issued \$3,650,000 in General Obligation Refunding Bonds (Series 2005) with a maturity date of December 15, 2011 at an average interest rate of 3.865 percent to advance refund \$3,670,000 of the outstanding 1995 Series bonds with interest rates of 3.60 to 5.50 percent. The net proceeds of \$3,738,640 (after a City transfer of \$63,000, an issuance premium of \$90,797, and \$65,157 in miscellaneous issuance costs) were used to purchase U.S. Treasury Securities. Those securities were deposited in an

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irrevocable trust with an escrow agent to provide for all future debt service payments on the 1995 Series bonds. As a result, the 1995 Series bonds are considered to be defeased and the liability for those bonds has been removed from the financial statements. The 2005 General Obligation Refunding Bonds are not subject to redemption prior to maturity.

Special Improvement Bonds with Governmental Commitment

Principal and interest on special improvement bonds are paid, in whole or in part, from pledged special assessment collections. The primary source of repayment of the special assessment debt is assessments against the benefitted property owners. This debt is secured by liens on assessed property and is also backed by the full faith and credit of the City as additional security (see debt service reserve requirement in note 6 on page 59).

A separate fund, the Special Improvement Debt Service Fund, has been established to contain the receipts derived by the City from the special assessments levied upon the property included in the special improvement districts together with interest on the assessments and, if necessary, additional funds transferred by the City to the debt service fund. Under the terms of the special improvement bond resolutions and state law, the City has agreed to maintain a special improvement guarantee account for the benefit of the bondholders.

On September 1, 2002, the City issued \$1,960,000 in Special Assessment Refunding Bonds (Auto Mall) at rates from 2.73 to 4.83 percent with a final maturity date of September 1, 2012. This bond replaced the 1993 Special Assessment Bonds. The Special Improvement District No. 90-1 (Auto Mall) was originally established by the City for the purpose of making improvements within the District. Assessments have been levied against the property included within the District to finance the cost of the improvements, all in conformance with and subject to the requirements of the Improvement District Act. The total principal and interest remaining to be paid on the bonds is \$1,075,671. The bonds are subject to redemption at any time. The redemption of the bonds will be at par, plus accrued interest to the date of redemption.

On December 19, 2002, the City issued \$762,000 in Special Assessment Bonds at rates from 2.80 to 4.80 percent with a final maturity date of December 15, 2012. The Special Improvement District No. 2000-1 (South Towne Ridge Road) was established by the City to acquire land and rights of way, to construct roads, and to install water, sewer, and storm drain improvements. The total principal and interest remaining to be paid on the bonds is \$286,187. The bonds maturing on or before December 15, 2007, are not subject to optional redemption. The bonds maturing on and after December 15, 2008, are subject to optional redemption in whole or in part and any day after December 15, 2007. The redemption price is equal to 100 percent of the principal amount to be redeemed, plus accrued interest to the redemption date.

It is estimated that 100 percent of pledged special assessment collections will be used to pay principal and interest on the special assessment bonds.

Motor Fuel Bonds

On March 7, 2000, the City issued \$7,075,000 in Motor Fuel Excise Tax Revenue Bonds. The Series 2000 bonds bear interest at 4.25 to 5.25 percent and have a final maturity of January 15, 2010. The bonds were issued to finance the construction or repair of streets located within the City boundaries. The City has pledged motor and

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special fuel excise taxes (Class C road funds) as collateral for these revenue bonds. As of January 15, 2010, the extinguished bonds were paid off. The Series 2000 bonds are not callable for redemption prior to maturity.

On November 9, 2007, the City issued \$6,360,000 in Motor Fuel Excise Tax Revenue Bonds (Series 2007) at rates from 4.00 to 5.00 percent with a final maturity date of January 15, 2017. The bonds were issued to i) finance the acquisition, construction, and improvements of roads and related improvements, and ii) pay the closing costs of issuing the Series 2007 bonds. The City has pledged motor and special fuel excise taxes (Class C road funds) as collateral for these revenue bonds. The remaining principal and interest payments total \$7,176,300. The Series 2007 bonds are not callable for redemption prior to maturity.

For the current year, principal and interest paid and total motor fuel excise tax revenues were \$1,758,325 and \$2,856,981, respectively. It is estimated that annual principal and interest payments on the bonds will require approximately 39 percent of motor fuel excise tax revenues.

Water Bonds

On April 22, 2004, the Water Utility issued \$9,965,000 in Water Revenue and Refunding Bonds (Series 2004) at rates from 2.50 to 5.00 percent with a final maturity date of November 15, 2025. The bonds were issued for the purpose of i) refunding all of the City's outstanding Water Revenue and Refunding Bonds, Series 1993A, ii) financing costs of certain improvements to the City's water system, and iii) paying costs of issuance of the Series 2004 bonds. The bonds are payable solely by a pledge and assignment of water system revenues, after payment of operation and maintenance expenses. The total principal and interest remaining to be paid on the bonds is \$8,456,216. Principal and interest paid for the current year and net available revenues were \$1,112,041 and \$10,911,582, respectively. It is estimated that annual principal and interest payments are expected to require less than 6 percent of net revenues.

The bonds maturing on or before November 15, 2014, are not subject to optional redemption prior to maturity. Bonds maturing on or after November 15, 2015, are subject to redemption at the option of the City on November 15, 2014, and on any date thereafter prior to maturity. The redemption price will be equal to 100 percent of the principal amount of the bonds to be redeemed, plus accrued interest thereon to the date fixed for redemption.

The bond resolution approved in conjunction with the issuance of the Series 2004 bonds provides, among other things, that certain funds be established and certain accounting procedures be followed. Under the terms of the resolution, the City will establish and collect rates and charges (including impact fees and connection fees) which are reasonably expected to produce net revenues equal to 110 percent of the aggregate annual debt service requirement for such year.

Sales Tax Revenue Bonds

Sales Tax Revenue Bonds are special limited obligations of the City backed by the sales and use taxes levied by the City under the Local Sales and Use Tax Act.

On February 15, 2002, the City issued \$10,180,000 in Sales Tax Revenue Bonds (Series 2002) at rates from 3.00 to 5.25 percent with a final maturity date of September 15, 2016. The bonds were issued to finance the costs associated with acquiring, constructing, and equipping certain storm drain improvements and paying the

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costs of issuing the bonds. Total principal and interest remaining on the bonds is \$1,449,713. The bonds maturing on or prior to September 15, 2011, are not subject to redemption prior to maturity, while those maturing on or after September 15, 2012, are subject to redemption at the election of the City on March 15, 2012, and on any date thereafter. The redemption price is equal to 100 percent of the principal amount plus accrued interest. \$4,180,000 in principal was advance refunded during fiscal year 2010 with the Series 2010 Sales Tax Revenue Refunding Bonds. Please see "Defeasance of Debt" on page 73 for more information.

On July 1, 2002, the City issued \$4,550,000 in Sales Tax Revenue Bonds (Series 2002B) at rates from 3.00 to 5.00 percent with a final maturity date of September 15, 2023. The bonds were issued to finance costs associated with acquiring, constructing, and equipping a golf course (River Oaks), park improvements, and paying the costs of issuing the bonds. Total principal and interest remaining on the bonds is \$646,213. The bonds maturing on or prior to September 15, 2012, are not subject to redemption prior to maturity, while those maturing on or after September 15, 2012, are subject to redemption at the election of the City on September 15, 2012, and on any date thereafter. The redemption price is equal to 100 percent of the principal amount plus accrued interest. \$2,780,000 of principal was advance refunded during fiscal year 2010 with the Series 2010 Sales Tax Revenue Refunding Bonds. Please see the "Defeasance of Debt" note on page 73 for more information.

On August 15, 2003, the City issued \$7,225,000 in Sales Tax Revenue Bonds (Series 2003) at rates from 1.75 to 4.60 percent with a final maturity date of September 15, 2023. The bonds were issued to finance the costs associated with i) acquiring a justice court building, ii) refunding the 1996 Motor Fuel Excise Tax Revenue bonds and the 1994B Lease Revenue bonds, and iii) paying issuance costs of the bonds. Remaining principal and interest payments on the bonds total \$4,210,069. The bonds maturing on or before September 15, 2013, are not subject to optional redemption prior to maturity, while those maturing on or after September 15, 2014, are subject to redemption at the election of the City. The redemption price is equal to 100 percent of the principal amount plus accrued interest.

On November 1, 2004, the City issued \$16,520,000 in Sales Tax and Refunding Bonds (Series 2004) at rates from 3.00 to 5.00 percent with a final maturity date of June 15, 2020. The bonds were issued to i) refund the 1998C and 1999 Municipal Building Authority Lease Revenue Bonds, ii) finance the costs associated with the acquisition, construction and equipping of road improvements, park improvements and other City-owned capital improvements, and iii) pay costs associated with the issuance of the 2004 bonds. The total principal and interest remaining to be paid on the bonds is \$15,115,250. The 2004 bonds maturing on or after June 15, 2014, are not subject to optional redemption prior to maturity. The 2004 bonds maturing on or after June 15, 2015, are subject to redemption at the option of the City on June 15, 2014, and on any date thereafter prior to maturity at a redemption price equal to 100 percent of the principal amount of the 2004 bonds to be redeemed, plus accrued interest thereon on the redemption date.

On December 2, 2009, the City issued \$7,140,000 in taxable Sales Tax Revenue Bonds (Series 2009). The City has elected to treat the Series 2009 bonds as "Build America Bonds" for purposes of the American Recovery and Reinvestment Act of 2009 and to receive a cash subsidy from the United States Treasury equal to 35 percent of the interest payable on the Series 2009 bonds. Any interest cash subsidies received from the United States Treasury are treated as pledged revenue. The bond proceeds were used to i) finance the acquisition and construction of improvements to the City's storm drain system and related improvements and ii) pay the costs

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of issuing the Series 2009 bonds. The total principal and interest remaining to be paid on the bonds is \$9,918,623 (excludes United States Treasury subsidy). The Series 2009 bonds have a maturity date of September 15, 2024, at interest rates ranging from 1.35 to 6.18 percent. The Series 2009 bonds maturing on or after September 15, 2010, are subject to redemption at the option of the City at a redemption price equal to 100 percent of bonds to be redeemed plus accrued interest up to the date of redemption.

On March 23, 2010, the City issued \$7,070,000 in Sales Tax Revenue Refunding Bonds (Series 2010) at interest rates from 2.00 to 5.00 percent with a final maturity date of September 15, 2022. The bonds were issued to partially advance refund the 2002A and 2002B Sales Tax Revenue Bonds and to pay the costs of issuing the Series 2010 bonds. Please see "Defeasance of Debt" on page 73 for more information. The total principal and interest remaining to be paid on the bonds is \$8,735,618. The 2010 bonds maturing on or before September 15, 2019, are not subject to redemption at the option of the City. The 2010 bonds maturing after September 15, 2019, are subject to redemption at the option of the City at a redemption price equal to 100 percent of bonds to be redeemed plus accrued interest up to the date of redemption.

Principal and interest paid for the current year on all outstanding Sales Tax Revenue Bonds and total sales and use tax revenues were \$3,070,647 and \$16,064,881, respectively. It is estimated approximately 21 percent of sales and use tax revenues will be used for annual principal and interest payments.

Transient Room Tax Revenue Bonds

On August 21, 2007, the City's Redevelopment Agency issued \$27,000,000 in Transient Room Tax Revenue Bonds, Series 2007A, and \$8,000,000 in Subordinate Transient Room Tax and Annual Contribution Revenue Bonds, Series 2007B, at a 4.88 interest rate with a final maturity date of July 15, 2027. The bonds were issued to i) finance the costs of acquiring land for a new soccer stadium and related facilities, ii) acquire and construct infrastructure, parking, landscaping, and related improvements in connection with such stadium to be built in the City and more specifically within the Community Development Project Area, and iii) pay costs associated with the issuance of the bonds. The total amount of principal and interest remaining to be paid on the bonds is \$52,713,584. The City's portion of the transient room tax has been pledged as collateral for these bonds. Annual principal and interest payments on the bonds are estimated to require 100 percent of transient room tax revenues.

For both the Series 2007A and 2007B bonds, up to \$1,000,000 in aggregate principal amounts are subject to redemption, but only from excess revenues, at the option of the issuer on any interest payment date prior to maturity. The redemption price is equal to 100 percent of the principal amount of the Series 2007A and Subordinate Series 2007B bonds to be redeemed, plus accrued interest thereon to the redemption date.

Series 2007A and 2007B bonds maturing on or after July 15, 2018, are also subject to redemption at the option of the issuer on July 15, 2017, and on any date thereafter prior to maturity, in whole or in part, at a redemption price of 100 percent of the principal amount of the bonds to be redeemed, plus accrued interest to the date of redemption.

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Tax Increment Bonds

On August 4, 2008, the Sandy City Redevelopment Agency issued \$11,040,000 in Community Development Tax Increment and Revenue Bonds (9400 South CDA) Series 2008. The bonds are secured by a first lien pledge of the incremental property taxes generated by the ReAL soccer stadium project as well as an additional \$1,000,000 pledge of the City's municipal energy sales and use taxes. The bond proceeds were used to i) finance the construction of certain improvements related to the ReAL soccer stadium, ii) fund a deposit of \$863,836 to the debt service reserve fund, and iii) pay costs associated with the issuance of the Series 2008 bonds. The total amount of principal and interest remaining to be paid on the bonds is \$14,925,310. It is estimated 100 percent of the 9400 South CDA tax increment will be required for annual principal and interest payments. In addition, it is estimated 10 percent of the \$1,000,000 municipal energy sales and use tax pledge will be required to meet debt service requirements of the bond.

The Series 2008 bonds have a maturity date of July 15, 2018, an interest rate of 4.84 percent, and are callable on any payment date at 103 percent of par up to July 15, 2015. On July 15, 2015 the Series 2008 bonds are callable at 100 percent of par payable on any payment date.

Notes Payable

On June 6, 1996, the City issued a \$2,515,000 note, guaranteed by the U.S. Department of Housing and Urban Development (HUD), for the creation of a Senior Citizen's Center. The remaining balance of \$1,325,000 was refinanced on June 12, 2008, at interest rates ranging from 2.62 to 4.62 percent. The final maturity date of August 1, 2015 remained unchanged.

Compensated Absences

It is the City's policy to permit employees to accumulate earned vacation benefits. All vacation pay is accrued when incurred in the government-wide financial statements. The liability for these amounts is funded in the payroll management fund, an internal service fund, for proprietary funds and governmental funds if they have matured. For governmental funds, any compensated absence liability has typically been liquidated by the general fund.

Contracts Payable

During fiscal year 2005, the City acquired preferential water rights for water produced from the Ontario Drain Tunnel through MWDSLS. MWDSLS issued \$81,750,000 in Series 2005A and Series 2005B Water Revenue Bonds bearing interest rates from 3.00 percent to 5.00 percent. The City will pay 16.92 percent of this debt to MWDSLS over 27 years (the life of the debt).

Defeasance of Debt

During fiscal year 2004, the City issued \$9,965,000 in Water Revenue and Refunding Bonds. \$3,890,000 of the proceeds were used to advance refund \$5,975,000 of the outstanding 1993A Water Revenue Refunding Bonds. As of November 15, 2009, the extinguished bonds are paid off.

During fiscal year 2005, the City issued \$16,520,000 in Sales Tax Revenue and Refunding Bonds. \$14,990,000 of the proceeds were placed in an irrevocable trust to advance refund \$7,150,000 of the 1998C MBA

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Lease Revenue Bonds and \$8,545,000 of the 1999 MBA Lease Revenue Bonds. At June 30, 2010, the balance of bonds which were considered extinguished was \$11,585,000.

During fiscal year 2010, the City issued \$7,070,000 in Sales Tax Revenue Refunding Bonds. \$7,558,528 of the proceeds were used to advance refund \$4,180,000 of the 2002 Sales Tax Revenue Bonds and \$2,780,000 of the 2002B Sales Tax Revenue Bonds. At June 30, 2010, the balance of bonds which were considered extinguished was \$6,960,000. The difference between the cash flows required to service the old debt and the cash flows required to service the new debt is \$324,750. The economic gain (difference between the present values of the old and new debt service payments) resulting from this transaction is \$305,995.

Note 12 - Industrial Development Revenue Bonds

The City has issued industrial development revenue bonds for the benefit of various developers to aid in building a commercial base within Sandy City limits. Principal and interest payments of such industrial development revenue bonds are to be made entirely by the various developers. The City will not become liable for these bonds even if developers can no longer make the payments. Consequently, the following bonds and their related interest are not shown as a liability in the accompanying financial statements:

Description of Industrial Revenue Bonds Issued	Year Issued	Maturity Date	Original Amount	Total Retired	Outstanding at 6/30/10
DREE Project	1985	11/15/10	\$ 8,770,000	\$ 7,815,000	\$ 955,000
South Towne Hotel Associates Project	1985	11/20/10	9,350,000	8,400,000	950,000
H. Shirl Wright Project	1986	12/15/16	9,000,000	4,100,000	4,900,000
Total Industrial Revenue Bonds Issued for Developers			\$ 27,120,000	\$ 20,315,000	\$ 6,805,000

Note 13 - Pension Plans

Plan Description

The state of Utah requires all agencies with public employees to contribute to Utah State Retirement Systems (USRS). Based upon the type of public employee and their retirement elections, the City contributes to various plans within the USRS: the Local Governmental Contributory Retirement System, the Local Governmental Non-Contributory Retirement System, the Public Safety Retirement System Non-Contributory for employers without Social Security coverage, and the Firefighters Retirement System for employers without Social Security coverage, all of which are cost-sharing multiple-employer defined benefit pension plans administered by the USRS. USRS provide retirement benefits, annual cost of living adjustments, death benefits, and refunds to plan members and beneficiaries in accordance with retirement statutes established and amended by the state legislature.

The Systems are established and governed by the respective sections of Chapter 49 of the Utah Code Annotated 1953 as amended which also establishes the Utah State Retirement Office. Chapter 49 places the Systems, the Office, and related plans and programs under the direction of the Utah State Retirement Board

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whose members are appointed by the Governor. The Systems issue a publicly available financial report that includes financial statements and required supplementary information for the systems and plans. A copy of the report may be obtained by writing to the Utah Retirement Systems, 540 East 200 South, Salt Lake City, Utah 84102 or by calling 1-800-365-8772.

Funding Policy

Plan members in the Local Government Contributory Retirement System are required to contribute based upon participating employees' annual salaries. The contribution rates in effect from July 1, 2009 through June 30, 2010 are as follows:

	Employee Paid	Employee Contributions Paid by City (100% Vested)	City's Matching Contributions	Total Contribution
Local Government Contributory Retirement System	N/A	6.00 %	7.65 %	13.65 %
Local Government Non-Contributory Retirement System	N/A	N/A	11.66	11.66
Public Safety Retirement System Non-Contributory for employers without Social Security coverage	N/A	N/A	26.21	26.21
Firefighters' Retirement System for employers without Social Security coverage	N/A	9.68	N/A	9.68

The contribution rates are the actuarially determined rates. The contribution requirements of the Systems are authorized by statute and specified by the Board.

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Trend Information

The following contributions have been made in the past three years and were equal to the required contributions for each fiscal year ending on June 30th:

	2008	2009	2010
Local Governmental Contributory Retirement System	\$ 127,756	\$ 131,236	\$ 121,275
Local Governmental Non-Contributory Retirement System	1,479,849	1,554,861	1,469,828
Public Safety Retirement System Contributory for employers without Social Security coverage	1,385,149	N/A	N/A
Public Safety Retirement System Non-Contributory for employers without Social Security coverage	7,552	1,433,694	1,409,316
Firefighters Retirement System for employers without Social Security coverage	375,847	407,663	371,756
Total	\$ 3,376,153	\$ 3,527,454	\$ 3,372,175

Note 14 - Deferred Compensation Plans

The City offers its employees a 457 deferred compensation plan and 401(K) defined contribution tax-sheltered annuity plan. Both plans are provided for within the Internal Revenue Code. The plans, assets, and associated liabilities are administered by external agencies: ICMA Retirement Corporation and USRS. The plans, available to all City employees, permit employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All ownership and associated interest of the plan is held solely for the benefit of the employees. As a result, the City does not carry the assets or associated liabilities in the City's financial statements.

The City contributes to a 401(K) plan for and on behalf of its public employees, elected and appointed officials, and City Council members. Temporary and seasonal employees receive a City-provided 457 plan contribution. The City Council authorizes a percentage based upon an employees base wage to be contributed into deferred compensation plans: 17.95 percent for full-time employees (excluding police officers), 28.24 percent for police officers, 8.05 percent for the mayor and council members, and 7.50 percent for temporary and seasonal employees. As noted previously, the USRS deferred compensation rate is actuarially determined by the state depending upon employee classification. The required contribution rates to the 401(K) plan equal the City Council authorized amount less the USRS mandated rate and are as follows: Public employees covered under the Non-Contributory State Retirement 4.58 percent, public employees covered under the Contributory State Retirement 2.59 percent, elected/appointed Officials 17.95 percent, firefighters 1.77 percent, and City Council members 8.05 percent. Because the deferred compensation rate for the Public Safety Retirement System equals 28.24 percent, the City does not pay into the 401(k) plan for police officers. The required contribution rate to the 457 plan on behalf of temporary and seasonal employees is 7.50 percent. The City's total contributions were \$1,722,124 which is 4.6 percent of the \$37,102,412 in total payroll for covered employees for the year ended June 30, 2010. The

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City's and employee's contributions for each employee (and interest allocated to the employee's account) are fully vested in the employee's account from the date of employment. In addition, all employees are eligible to participate in an elective deferral plan which permits them to defer a portion of their salary until future years. The total contributions made by the employees were \$1,323,801 for the year ended June 30, 2010. At June 30, 2010, the City has made all payments to the plan administrator to satisfy this funding requirement.

Note 15 - Post Employment Benefits

The City allows terminated or retired employees to continue their health insurance benefits for a period of 18 months after the employee's termination or retirement date. The City will pay up to two months of these premiums for an employee and their plan dependents in the event that i) a current full or part time employee dies or ii) a full or part time employee is approved for disability due to their diagnosis as terminally ill. All other terminated or retired employees are required to pay the full cost of such extended health insurance coverage. As of June 30, 2010, four employees had elected to participate in this post-employment benefit program, bearing the full cost of the insurance coverage. The administrative costs to the City for such benefits were not significant, and the City does not have a post employment benefit (OPEB) liability.

Note 16 - Vacation and Sick Leave

The City permits employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service. All vacation pay is accrued when incurred in the government-wide and proprietary funds financial statements.

Employees can accrue vacation days at various rates depending upon length of service. There are no requirements that vacation leave be taken, but the maximum permissible accumulation is 320 hours except for firefighters who can accumulate 480 hours. At termination, employees are paid for any unused accumulated vacation leave.

The payroll management fund, an internal service fund, contains the City's entire compensated absences liability except for the long-term liability portion of the general fund. The long-term liability portion in the general fund is considered to be any amount in excess of what an employee can accrue in one year. As of June 30, 2010, the general fund long-term liability portion is \$1,090,445.

Employees earn sick leave at the rate of 12 days per year. Unused sick leave may be carried forward to subsequent years. An unlimited amount of sick leave can be accumulated if an employee is not participating in the Retiree Health Savings (RHS) plan. Members of the RHS plan may accumulate 480 hours of sick leave, except for firefighters who may accrue a maximum of 520 hours.

SANDY CITY
Notes to the Financial Statements
June 30, 2010

Note 17 - Commitments and Contingencies

The City is a defendant in various claims and suits arising from the ordinary course of business. The City's legal counsel believes it has meritorious defenses and any liability resulting from these matters would not be material. Accordingly, no provision for loss related to litigation has been made in the accompanying financial statements.

Commitments for major construction and capital improvements projects totaled \$2,985,678 at June 30, 2010.

The Sandy City Redevelopment Agency (RDA), a governmental-type fund, has eight outstanding commitments for payment of tax increment. The following is a schedule of estimated future payments to all of these entities as of June 30, 2010. The Macerich, Thackeray, Woodbury, and Sandy City commitments are not based on taxable value (each is a flat amount). The remaining payments are estimated based on 2010 property tax rates and values:

The public utilities department (an enterprise fund) currently has a long-term commitment payable to

	2011	2012	2013	2014	2015	2016-2020	2021-2025
Salt Lake County Sewer District	\$ 26,199	\$ 26,199	\$ 26,199	\$ 26,199	\$ 26,199	\$ 104,796	\$ -0-
Canyons School District	747,254	747,254	432,055	432,055	471,534	2,261,590	563,179
Boyer Company	36,777	31,524	31,524	31,524	31,524	31,524	-0-
Macerich Company	500,000	500,000	500,000	-0-	-0-	-0-	-0-
The Thackeray Company	300,000	300,000	300,000	-0-	-0-	-0-	-0-
Woodbury Corporation (Sandy Park Center)	83,334	-0-	-0-	-0-	-0-	-0-	-0-
Woodbury Corporation (Hilton Garden Inn)	100,000	100,000	100,000	100,000	-0-	-0-	-0-
Sandy City	80,000	80,000	80,000	80,000	80,000	27,918	-0-
Total	\$1,873,564	\$1,784,977	\$1,469,778	\$669,778	\$609,257	\$2,425,828	\$ 563,179

MWDSLS for various capital improvements. The following is a schedule of future payments due to MWDSLS for capital improvements as of June 30, 2010:

In the normal course of operations, the City receives grant funds from various federal agencies. The grant

	Water Fund
2011	\$ 4,210,322
2012	4,210,322
2013	4,210,322
2014	4,210,322
2015	4,210,322
2016-2020	21,051,610
2021-2025	21,051,610
2026-2030	21,051,610
2031-2035	21,051,610
Total	\$ 105,258,050

operations are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance

SANDY CITY
Notes to the Financial Statements
June 30, 2010

with conditions precedent to the granting of funds. Any liability for reimbursement that may arise as the result of audits of grant funds is not believed to be material.

Note 18 - Transfers In/Out

During the course of normal operations, the City has transfers between the various funds. The principal purposes of the City's interfund transfers are debt service and capital projects. Transfers in and out for the year ended June 30, 2010 are summarized as follows:

		Transfers Out From:															
		General	Storm Water	Debt Service	Capital Projects	RDA	Other Governmental Funds	Internal Service Funds	Total Transfers In								
Transfers In to the Following Funds:																	
General	\$	-0-	\$	-0-	\$	7,478	\$	-0-	\$	40,000	\$	-0-	\$	830,160	\$	877,638	
Storm Water		-0-		-0-		-0-		-0-		40,000		-0-		-0-		40,000	
Debt Service		940,486		967,599		-0-		101,705		4,590,078		197,485		-0-		6,797,353	
Capital Projects		2,073,134		-0-		175,924		-0-		-0-		-0-		-0-		2,249,058	
Other Governmental Funds		1,678,274		-0-		-0-		-0-		-0-		-0-		-0-		1,678,274	
Golf		-0-		-0-		-0-		-0-		150,000		-0-		-0-		150,000	
Internal Service Funds		-0-		-0-		-0-		20,000		-0-		-0-		-0-		20,000	
Total Transfers Out		\$	4,691,894	\$	967,599	\$	183,402	\$	121,705	\$	4,820,078	\$	197,485	\$	830,160	\$	11,812,323

Note 19 - General Fund Administrative Charges

The general fund charges certain special revenue funds and proprietary funds for various administrative services. These transactions have been recorded as revenue and expenses or expenditures to the funds as if they involved organizations external to the City. The amounts charged to those funds during fiscal year 2010 are as follows:

SANDY CITY
Notes to the Financial Statements
June 30, 2010

	General Government	Public Works Administration	Total
Special Revenue Funds:			
Redevelopment Agency	\$ 128,000	\$ 5,685	\$ 133,685
Recreation	34,729	-0-	34,729
Sandy Arts Guild	8,682	-0-	8,682
Storm Water Utilities	134,733	-0-	134,733
Enterprise Funds:			
Alta Canyon Sports Center	67,578	-0-	67,578
Water	883,835	-0-	883,835
Waste Collection	193,236	135,982	329,218
Golf	42,468	-0-	42,468
Internal Service Funds:			
Fleet Operations	99,877	39,379	139,256
Information Services	218,975	-0-	218,975
Risk Management	74,642	-0-	74,642
Total	<u>\$ 1,886,755</u>	<u>\$ 181,046</u>	<u>\$ 2,067,801</u>

Note 20 - Risk Management

The City is exposed to various risks of loss including torts; workers compensation claims; theft, damage or destruction of assets; errors and omissions; and natural disasters. Insurance coverage for these risks are provided by several commercial insurance carriers. The general liability policy has a \$2,000,000 self insured retention with a \$10,000,000 limit per occurrence. Workers compensation claims are covered by the Workers Compensation Fund. The City commercially insures real property and also insures fleet equipment with individual values in excess of \$40,000 and self-insures all other fleet equipment. For the last three years, claim settlements have not exceeded insurance coverage.

Liabilities are reported when it is probable a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). The liability for claims and judgements is reported in the risk management fund and has been expensed in the current period. Changes in the balances of claims liabilities during the past two years are as follows:

	Year Ended <u>June 30, 2010</u>	Year Ended <u>June 30, 2009</u>
Unpaid Claims, Beginning of Fiscal Year	\$ 224,048	\$ 370,164
Incurred Claims & Changes in Estimates (Including IBNR's)	419,964	198,460
Claims Payments	<u>(372,859)</u>	<u>(344,576)</u>
Unpaid Claims, End of Fiscal Year	<u>\$ 271,153</u>	<u>\$ 224,048</u>

The City estimates that \$227,260 of the \$271,153 unpaid claims will be paid in the next fiscal year.

SANDY CITY
Notes to the Financial Statements
June 30, 2010

Note 21 - Sandy City RDA

For the year ending June 30, 2010, the following activity occurred in the City's RDA:

Taxes collected by the RDA:

Transient room tax collected for 9400 South CDA	\$ 1,903,278
Tax increment by project:	
South Towne	1,542,932
Civic Center South	1,212,274
Civic Center North	1,515,884
South Towne Ridge Road	1,120,855
Total tax increment	<u>5,391,945</u>
Total taxes collected	<u><u>\$ 7,295,223</u></u>

Tax increment paid to other taxing agencies	\$ 29,473
Outstanding loans which financed RDA projects	\$ 48,923,201
Amounts expended for:	
Installation of public utilities or other improvements	\$ 7,226,159
Administrative costs	\$ 468,360

Note 22 - Related Party Transactions

During the year ended June 30, 2010, the following payments were made to MWDSLS, which is a related entity:

- \$833,031 in debt service payments for water rights to the Ontario Drain Tunnel water
- \$4,210,322 for capital improvements to be conducted by MWDSLS (long-term commitment)
- \$2,875,897 for water purchases (\$357,358 paid July 2010)

Required Supplementary Information

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SANDY CITY

Roadway System Condition and Maintenance

Modified Approach for Infrastructure

June 30, 2010

The condition of the road pavement is measured using the Stantec Pavement Management Application (PMA), which is based on a weighted average of nine distress factors found in pavement surfaces (cracking, raveling, chuck holes, patching, edge cracking, rutting/shoving, bleeding, excessive crown, and distortion). The PMA uses a measurement scale based on a condition index ranging from 0 to 10 for pavement in perfect condition. The condition index is used to classify roads in good or better condition (6.5 - 10), fair condition (4.0 - 6.4), and substandard condition (less than 4.0). These condition indexes are used to evaluate other elements in the right-of-way including sidewalks, curb and gutter, waterways, drive approaches, street signs, and traffic signals. All of these elements, including pavement, make up what is known as the street system. The City's policy is to maintain at least 80 percent of its street system at a good or better condition and have no more than 10 percent in a substandard condition. Condition assessments in the appropriate database are updated annually.

For fiscal year 2010, the overall street system showed an increase primarily due to updated condition assessments. Due to the size of the City, it takes approximately two years to complete a 100 percent evaluation of these elements before restarting the process.

Condition Rating of the City's Roadway System

Percentage of Roadway System in Good or Better Condition

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Arterials	90.8%	91.1%	89.2%	93.2%	91.3%
Collectors	91.8%	91.2%	89.8%	92.9%	92.3%
Secondary	89.9%	89.2%	88.6%	89.3%	85.8%
Overall System	90.5%	90.0%	88.9%	90.8%	88.1%

Percentage of Roadway System in Substandard Condition

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Arterials	0.2%	0.2%	0.3%	0.3%	0.3%
Collectors	0.1%	0.2%	0.3%	0.3%	0.5%
Secondary	0.3%	0.4%	0.5%	0.4%	0.8%
Overall System	0.2%	0.3%	0.4%	0.4%	0.7%

Comparison of Needed to Actual Maintenance/Preservation

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Arterials					
Needed	\$ 3,898,791	\$ 4,612,987	\$ 5,414,578	\$ 4,342,458	\$ 3,842,128
Actual	3,125,389	4,235,695	4,381,263	3,566,059	3,384,297
Collectors					
Needed	779,758	922,597	1,082,916	868,492	768,426
Actual	625,078	847,139	876,253	713,212	676,859
Secondary					
Needed	891,152	1,054,397	1,237,617	992,561	878,200
Actual	714,375	968,159	1,001,432	815,099	773,554
Overall System					
Needed	5,569,701	6,589,981	7,735,111	6,203,511	5,488,754
Actual	4,464,842	6,050,993	6,258,948	5,094,370	4,834,710
	<u>\$ (1,104,859)</u>	<u>\$ (538,988)</u>	<u>\$ (1,476,163)</u>	<u>\$ (1,109,141)</u>	<u>\$ (654,044)</u>

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Supplementary Information

SANDY CITY**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances****Governmental Funds****For the Year Ended June 30, 2010****With Comparative Totals for 2009**

	General Fund	Storm Water	Debt Service	Capital Projects	RDA	Other Governmental Funds	Total Governmental Funds	
							2010	2009
Revenues:								
Taxes:								
General Property Taxes	\$ 7,369,288	\$ -0-	\$ 293,603	\$ -0-	\$ 5,391,945	\$ -0-	\$ 13,054,836	\$ 12,623,609
General Sales & Use Taxes	16,064,881	-0-	-0-	-0-	-0-	-0-	16,064,881	17,109,760
Franchise Taxes	7,422,695	-0-	-0-	-0-	-0-	-0-	7,422,695	7,382,659
Motor Vehicle Fee	694,237	-0-	-0-	-0-	-0-	-0-	694,237	740,318
Transient Room Tax	-0-	-0-	-0-	-0-	1,903,278	-0-	1,903,278	2,007,787
Total Taxes	31,551,101	-0-	293,603	-0-	7,295,223	-0-	39,139,927	39,864,133
Special Assessments	-0-	-0-	324,601	-0-	-0-	-0-	324,601	352,505
Innkeeper Fees	-0-	-0-	332,317	-0-	-0-	-0-	332,317	309,967
Licenses & Permits	1,640,829	-0-	-0-	-0-	-0-	-0-	1,640,829	2,211,421
Inter-Governmental Revenue	3,254,335	-0-	33,738	4,717,255	-0-	526,380	8,531,708	9,189,553
Sponsors	-0-	-0-	366,229	-0-	-0-	12,103	378,332	3,128,937
Administrative Charges	2,067,801	-0-	-0-	-0-	-0-	-0-	2,067,801	1,931,193
Fines & Forfeitures	2,710,377	-0-	-0-	1,889	-0-	-0-	2,712,266	2,938,223
Cell Tower Lease	169,523	-0-	-0-	-0-	-0-	-0-	169,523	170,459
Fees from Developers	-0-	153,808	11,598	193,407	-0-	-0-	358,813	982,877
Charges for Sales & Services	2,522,028	3,017,578	-0-	-0-	-0-	733,853	6,273,459	3,663,962
Interest Income	70,860	34,430	42,795	129,371	51,323	6,801	335,580	949,655
Miscellaneous Revenues	164,388	11,997	-0-	300,000	-0-	1,072,131	1,548,516	909,635
Total Revenues	44,151,242	3,217,813	1,404,881	5,341,922	7,346,546	2,351,268	63,813,672	66,595,400
Expenditures:								
Salaries and Benefits	29,703,820	800,814	-0-	-0-	295,398	1,302,644	32,102,676	32,969,684
Materials & Supplies	3,472,142	179,719	-0-	-0-	26,275	1,043,356	4,721,492	5,164,849
Contracted Services	1,563,305	5,580	-0-	-0-	463,709	305,887	2,338,481	2,320,234
Internal Charges	3,900,683	330,076	-0-	-0-	12,673	114,093	4,357,525	4,557,607
Administrative Charges	-0-	53,893	-0-	-0-	133,685	43,411	230,989	208,920
Cost of Goods Sold	-0-	14,545	-0-	-0-	-0-	633,414	647,959	599,562
Bond Issuance Cost and Trustee Fees	-0-	-0-	577,064	-0-	-0-	-0-	577,064	237,701
Capital Outlays	1,890,782	1,730,189	-0-	10,750,642	7,226,487	503,106	22,101,206	26,345,873
Principal	-0-	-0-	4,770,000	-0-	-0-	-0-	4,770,000	4,006,000
Interest on Long-Term Debt	-0-	-0-	3,795,121	-0-	-0-	-0-	3,795,121	3,553,225
Total Expenditures	40,530,732	3,114,816	9,142,185	10,750,642	8,158,227	3,945,911	75,642,513	79,963,655
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,620,510	102,997	(7,737,304)	(5,408,720)	(811,681)	(1,594,643)	(11,828,841)	(13,368,255)
Other Financing Sources (Uses):								
Issuance of Debt	-0-	7,000,000	4,386,242	-0-	-0-	-0-	11,386,242	11,040,000
Bond Premium	-0-	-0-	357,751	-0-	-0-	-0-	357,751	-0-
Redemption of Refunded Bonds	-0-	-0-	(4,180,000)	-0-	-0-	-0-	(4,180,000)	-0-
Other Income	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Sale of Capital Assets	-0-	186,110	-0-	35,250	-0-	-0-	221,360	281,145
Transfers In	877,638	40,000	6,797,352	2,249,058	-0-	1,678,274	11,642,322	12,125,475
Transfers Out	(4,691,894)	(967,599)	(183,402)	(121,705)	(4,820,078)	(197,485)	(10,982,163)	(12,024,353)
Total Other Financing Sources (Uses)	(3,814,256)	6,258,511	7,177,943	2,162,603	(4,820,078)	1,480,789	8,445,512	11,429,387
Net Change in Fund Balances	(193,746)	6,361,508	(559,361)	(3,246,117)	(5,631,759)	(113,854)	(3,383,329)	(1,938,868)
Beginning Fund Balances	5,299,024	2,400,409	3,188,566	20,707,932	6,471,265	1,101,590	39,168,786	41,107,654
Ending Fund Balances	\$ 5,105,278	\$ 8,761,917	\$ 2,629,205	\$ 17,461,815	\$ 839,506	\$ 987,736	\$ 35,785,457	\$ 39,168,786

SANDY CITY

Debt Service

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
General Property Taxes	\$ 299,325	\$ 299,325	\$ 293,603	\$ (5,722)
Special Assessments	319,308	319,308	324,601	5,293
Innkeeper Fees	366,645	366,645	332,317	(34,328)
Inter-Governmental Revenue	300,000	333,738	33,738	(300,000)
Charges for Services	-0-	-0-	366,229	366,229
Fees from Developers	20,000	20,000	11,598	(8,402)
Charges for Sales & Services	282,200	282,200	-0-	(282,200)
Interest Income	38,169	38,169	42,795	4,626
Total Revenues	1,625,647	1,659,385	1,404,881	(254,504)
Expenditures:				
Principal	4,770,000	8,950,000	8,950,000	-0-
Interest on Long-Term Debt	3,844,299	3,945,123	3,795,121	150,002
Bond Issuance Cost and Trustee Fees	(9,805)	580,764	577,064	3,700
Total Expenditures	8,604,494	13,475,887	13,322,185	153,702
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,978,847)	(11,816,502)	(11,917,304)	(100,802)
Other Financing Sources (Uses):				
Issuance of Debt	-0-	4,743,993	4,743,993	-0-
Transfers In	6,495,377	6,563,034	6,797,352	234,318
Transfers Out	(175,924)	(183,402)	(183,402)	-0-
Total Other Financing Sources (Uses)	6,319,453	11,123,625	11,357,943	234,318
Net Change in Fund Balances	(659,394)	(692,877)	(559,361)	133,516
Beginning Fund Balances	3,188,566	3,188,566	3,188,566	-0-
Ending Fund Balances	\$ 2,529,172	\$ 2,495,689	\$ 2,629,205	\$ 133,516

SANDY CITY

Capital Projects

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Inter-Governmental Revenue	\$ 6,046,031	\$ 6,131,288	\$ 4,717,255	\$ (1,414,033)
Fines & Forfeitures	-0-	-0-	1,889	1,889
Fees from Developers	345,000	345,000	193,407	(151,593)
Interest Income	156,000	156,000	129,371	(26,629)
Miscellaneous Revenues	-0-	-0-	300,000	300,000
Total Revenues	6,547,031	6,632,288	5,341,922	(1,290,366)
Expenditures:				
Contracted Services	20,339	20,339	-0-	20,339
Capital Outlays	192,066	192,066	-0-	192,066
Land	2,548,363	2,548,363	1,880,555	667,808
Buildings	4,239,383	4,324,383	646,471	3,677,912
Roads	11,267,162	11,267,162	6,916,177	4,350,985
Parks	2,113,673	2,145,673	1,271,121	874,552
Miscellaneous	512,464	597,721	36,318	561,403
Total Expenditures	20,893,450	21,095,707	10,750,642	10,345,065
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,346,419)	(14,463,419)	(5,408,720)	9,054,699
Other Financing Sources :				
Sale of Capital Assets	-0-	32,000	35,250	3,250
Transfers In	1,324,398	1,409,398	2,249,058	839,660
Transfers Out	(20,000)	(20,000)	(121,705)	(101,705)
Total Other Financing Sources	1,304,398	1,421,398	2,162,603	741,205
Net Change in Fund Balances	(13,042,021)	(13,042,021)	(3,246,117)	9,795,904
Beginning Fund Balances	20,707,932	20,707,932	20,707,932	-0-
Ending Fund Balances	\$ 7,665,911	\$ 7,665,911	\$ 17,461,815	\$ 9,795,904

Non-major Governmental Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Landscape Maintenance - This fund is used to account for the service-type special assessments legally restricted for operation and maintenance of streetscapes.

Community Development Block Grant (CDBG) - This fund is used to account for the revenues received by the City as grantee participant in the Community Development Block Grant program.

Recreation - This fund is used to account for the City's recreation activities.

Community Arts - The City elects to sponsor certain performing arts, programs, and special events. This fund is used to account for the revenue and expenditures associated with these events.

Sandy Arts Guild - The City arranges for concerts, programs, and special events to be performed within our amphitheater for the enjoyment of our citizens. This fund is used to account for the revenue and expenditures associated with these events.

Electric Utilities - This fund is used to account for the operation of the City's street light system.

Sandy City Donations - This fund was established to account for individual, private, and intergovernmental contributions held in trust by the City.

SANDY CITY
Combining Balance Sheet
Non-major Governmental Funds
June 30, 2010
With Comparative Totals for 2009

	Landscape Maintenance	CDBG	Recreation	Community Arts
<u>ASSETS:</u>				
Current Assets:				
Cash and Cash Equivalents	\$ 105,422	\$ -0-	\$ 315,918	\$ 102,877
Receivables	-0-	-0-	-0-	-0-
Due from other Governments	-0-	31,372	-0-	-0-
Total Assets	105,422	31,372	315,918	102,877
<u>LIABILITIES AND FUND BALANCES:</u>				
Current Liabilities:				
Accounts Payable	-0-	11,746	39,764	2,638
Salaries & Benefits Payable	-0-	2,899	25,524	8,339
Due to Other Governments	-0-	-0-	-0-	-0-
Due to Other Funds	-0-	16,727	-0-	-0-
Deposits	-0-	-0-	102	-0-
Total Liabilities	-0-	31,372	65,390	10,977
Unreserved Fund Balances	105,422	-0-	250,528	91,900
Total Liabilities and Fund Balance	\$ 105,422	\$ 31,372	\$ 315,918	\$ 102,877

	Sandy Arts Guild	Electric Utility	Sandy City Donations	TOTALS	
				2010	2009
ASSETS:					
Current Assets:					
Cash and Cash Equivalents	\$ 231,914	\$ 111,622	\$ 240,854	\$ 1,108,607	\$ 1,190,835
Receivables	57	167	-0-	224	659
Due from other Governments	-0-	-0-	94,348	125,720	131,189
Total Assets	231,971	111,789	335,202	1,234,551	1,322,683
LIABILITIES AND FUND BALANCES:					
Current Liabilities:					
Accounts Payable	23,002	39,392	43,054	159,596	159,871
Salaries & Benefits Payable	11,176	6,961	7,890	62,789	46,697
Due to Other Governments	-0-	-0-	500	500	500
Due to Other Funds	-0-	-0-	-0-	16,727	6,880
Deposits	50	-0-	7,051	7,203	7,145
Total Liabilities	34,228	46,353	58,495	246,815	221,093
Unreserved Fund Balances	197,743	65,436	276,707	987,736	1,101,590
Total Liabilities and Fund Balance	\$ 231,971	\$ 111,789	\$ 335,202	\$ 1,234,551	\$ 1,322,683

SANDY CITY**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances****Non-major Governmental Funds****For the Year Ended June 30, 2010****With Comparative Totals for 2009**

	Landscape		Community	
	Maintenance	CDBG	Recreation	Arts
Revenues:				
Special Assessments	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Inter-Governmental Revenue	-0-	473,380	-0-	-0-
Sponsors	-0-	-0-	-0-	-0-
Fees from Developers	-0-	-0-	-0-	-0-
Charges for Sales & Services	-0-	-0-	726,925	235
Interest Income	30	-0-	1,977	1,774
Miscellaneous Revenues	-0-	-0-	-0-	10,521
Total Revenues	30	473,380	728,902	12,530
Expenditures:				
General Government	-0-	-0-	-0-	-0-
Police & Animal Control	-0-	-0-	-0-	-0-
Fire	-0-	-0-	-0-	-0-
Parks, Landscapes and Cemetery	11,578	-0-	-0-	-0-
Community Development	-0-	280,218	-0-	-0-
Recreation and Cultural Events	-0-	-0-	1,007,957	504,723
Electric Utility	-0-	-0-	-0-	-0-
Total Expenditures	11,578	280,218	1,007,957	504,723
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,548)	193,162	(279,055)	(492,193)
Other Financing Sources (Uses):				
Transfers In	-0-	-0-	275,039	465,576
Transfers Out	-0-	(197,485)	-0-	-0-
Total Other Financing Sources (Uses)	-0-	(197,485)	275,039	465,576
Net Change in Fund Balances	(11,548)	(4,323)	(4,016)	(26,617)
Beginning Fund Balances	116,970	4,323	254,544	118,517
Ending Fund Balances	\$ 105,422	\$ -0-	\$ 250,528	\$ 91,900

	Sandy Arts Guild	Electric Utility	Sandy City Donations	Total Non-Major Governmental Funds	
				2010	2009
Revenues:					
Special Assessments	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 100
Inter-Governmental Revenue	53,000	-0-	-0-	526,380	452,257
Sponsors	-0-	-0-	12,103	12,103	62,603
Fees from Developers	-0-	-0-	-0-	-0-	(2,222)
Charges for Sales & Services	443,292	1,193	500	1,172,145	1,021,185
Interest Income	1,330	772	918	6,801	44,636
Miscellaneous Revenues	-0-	347	622,971	633,839	374,622
Total Revenues	497,622	2,312	636,492	2,351,268	1,953,181
Expenditures:					
General Government	-0-	-0-	19,700	19,700	35,725
Police & Animal Control	-0-	-0-	613,532	613,532	306,360
Fire	-0-	-0-	31,230	31,230	86,917
Parks, Landscapes and Cemetery	-0-	-0-	500	12,078	79,301
Community Development	-0-	-0-	23,715	303,933	174,764
Recreation and Cultural Events	712,941	-0-	17,524	2,243,145	2,202,290
Electric Utility	-0-	722,293	-0-	722,293	1,044,563
Total Expenditures	712,941	722,293	706,201	3,945,911	3,929,920
Excess (Deficiency) of Revenues Over (Under) Expenditures	(215,319)	(719,981)	(69,709)	(1,594,643)	(1,976,739)
Other Financing Sources (Uses):					
Transfers In	214,210	702,129	21,320	1,678,274	1,710,792
Transfers Out	-0-	-0-	-0-	(197,485)	(278,447)
Total Other Financing Sources (Uses)	214,210	702,129	21,320	1,480,789	1,432,345
Net Change in Fund Balances	(1,109)	(17,852)	(48,389)	(113,854)	(544,394)
Beginning Fund Balances	198,852	83,288	325,096	1,101,590	1,645,984
Ending Fund Balances	\$ 197,743	\$ 65,436	\$ 276,707	\$ 987,736	\$ 1,101,590

SANDY CITY

Landscape Maintenance

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2010

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Special Assessments	\$ 2,390	\$ -0-	\$ (2,390)
Interest Income	6,025	30	(5,995)
Total Revenues	8,415	30	(8,385)
Expenditures:			
Capital Outlays	125,385	11,578	113,807
Net Change in Fund Balances	(116,970)	(11,548)	105,422
Beginning Fund Balances	116,970	116,970	-0-
Ending Fund Balances	\$ -0-	\$ 105,422	\$ 105,422

SANDY CITY

Community Development Block Grant (CDBG)

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2010

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Inter-Governmental Revenue	\$ 574,655	\$ 473,380	\$ (101,275)
Interest Income	4,325	-0-	(4,325)
Total Revenues	578,980	473,380	(105,600)
Expenditures:			
Salaries and Benefits	63,002	63,087	(85)
Materials & Supplies	137,566	116,764	20,802
Internal Charges	4,542	4,542	-0-
Capital Outlays	186,397	95,825	90,572
Total Expenditures	391,507	280,218	111,289
Excess of Revenues Over Expenditures	187,473	193,162	5,689
Transfers Out	(197,485)	(197,485)	-0-
Net Change in Fund Balances	(10,012)	(4,323)	5,689
Beginning Fund Balances	4,323	4,323	-0-
Ending Fund Balances	\$ (5,689)	\$ -0-	\$ 5,689

SANDY CITY

Recreation

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2010

	Budget		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Charges for Sales & Services	\$ 713,345	\$ 713,345	\$ 726,925	\$ 13,580
Interest Income	4,000	4,000	1,977	(2,023)
Total Revenues	717,345	717,345	728,902	11,557
Expenditures:				
Salaries and Benefits	492,697	491,045	480,292	10,753
Materials & Supplies	46,791	43,051	27,923	15,128
Contracted Services	6,000	6,000	7,191	(1,191)
Internal Charges	22,135	22,014	22,014	-0-
Administrative Charges	34,729	34,729	34,729	-0-
Cost of Goods Sold	419,637	419,637	385,187	34,450
Capital Outlays	64,944	64,844	50,621	14,223
Total Expenditures	1,086,933	1,081,320	1,007,957	73,363
Excess (Deficiency) of Revenues Over (Under) Expenditures	(369,588)	(363,975)	(279,055)	84,920
Other Financing Sources:				
Transfers In	280,652	275,039	275,039	-0-
Net Change in Fund Balances	(88,936)	(88,936)	(4,016)	84,920
Beginning Fund Balances	254,544	254,544	254,544	-0-
Ending Fund Balances	\$ 165,608	\$ 165,608	\$ 250,528	\$ 84,920

SANDY CITY**Community Arts****Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****For the Year Ended June 30, 2010**

	Budget		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Charges for Sales & Services	\$ -0-	\$ -0-	\$ 235	\$ 235
Interest Income	4,050	4,050	1,774	(2,276)
Miscellaneous Revenues	5,750	5,750	10,521	4,771
Total Revenues	9,800	9,800	12,530	2,730
Expenditures:				
Salaries and Benefits	219,855	219,855	223,335	(3,480)
Materials & Supplies	209,688	206,270	193,106	13,164
Internal Charges	55,335	54,251	54,251	-0-
Capital Outlays	-0-	45,335	34,031	11,304
Total Expenditures	484,878	525,711	504,723	20,988
Excess (Deficiency) of Revenues Over (Under) Expenditures	(475,078)	(515,911)	(492,193)	23,718
Other Financing Sources :				
Transfers In	475,078	465,576	465,576	-0-
Net Change in Fund Balances	-0-	(50,335)	(26,617)	23,718
Beginning Fund Balances	118,517	118,517	118,517	-0-
Ending Fund Balances	\$ 118,517	\$ 68,182	\$ 91,900	\$ 23,718

SANDY CITY

Sandy Arts Guild

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2010

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Sponsors	\$ 13,000	\$ 13,000	\$ -0-	\$ (13,000)
Charges for Sales & Services	4,500	4,500	5,000	500
Inter-Governmental Revenue	51,850	51,850	53,000	1,150
Interest Income	4,500	4,500	1,330	(3,170)
Miscellaneous Revenues	445,000	445,000	438,292	(6,708)
Total Revenues	518,850	518,850	497,622	(21,228)
Expenditures:				
Salaries and Benefits	157,916	154,934	151,374	3,560
Materials & Supplies	189,430	189,430	184,243	5,187
Contracted Services	288,250	288,250	297,859	(9,609)
Internal Charges	7,951	7,907	7,907	-0-
Administrative Charges	8,682	8,682	8,682	-0-
Cost of Goods Sold	2,000	2,000	-0-	2,000
Capital Outlays	64,924	71,444	62,876	8,568
Total Expenditures	719,153	722,647	712,941	9,706
Excess (Deficiency) of Revenues Over (Under) Expenditures	(200,303)	(203,797)	(215,319)	(11,522)
Other Financing Sources:				
Transfers In	200,303	196,297	214,210	17,913
Total Other Financing Sources	200,303	196,297	214,210	17,913
Net Change in Fund Balances	-0-	(7,500)	(1,109)	6,391
Beginning Fund Balances	198,852	198,852	198,852	-0-
Ending Fund Balances	\$ 198,852	\$ 191,352	\$ 197,743	\$ 6,391

SANDY CITY**Electric Utility****Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****For the Year Ended June 30, 2010**

	Budget		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Charges for Sales & Services	\$ -0-	\$ -0-	\$ 1,193	\$ 1,193
Interest Income	-0-	-0-	772	772
Miscellaneous Revenues	-0-	-0-	347	347
Total Revenues	-0-	-0-	2,312	2,312
Expenditures:				
Salaries and Benefits	191,958	191,958	186,944	5,014
Materials & Supplies	497,496	483,500	499,345	(15,845)
Contracted Services	540	540	837	(297)
Internal Charges	26,518	26,131	25,379	752
Cost of Goods Sold	-0-	-0-	63	(63)
Capital Outlays	86,348	86,348	9,725	76,623
Total Expenditures	802,860	788,477	722,293	66,184
Excess (Deficiency) of Revenues Over (Under) Expenditures	(802,860)	(788,477)	(719,981)	68,496
Other Financing Sources :				
Transfers In	716,512	702,129	702,129	-0-
Net Change in Fund Balances	(86,348)	(86,348)	(17,852)	68,496
Beginning Fund Balances	83,288	83,288	83,288	-0-
Ending Fund Balances	\$ (3,060)	\$ (3,060)	\$ 65,436	\$ 68,496

SANDY CITY

Sandy City Donations

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended June 30, 2010

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Sponsors	\$ -0-	\$ -0-	\$ 12,103	\$ 12,103
Charges for Sales & Services	-0-	-0-	500	500
Interest Income	12,500	12,500	918	(11,582)
Miscellaneous Revenues	1,040,876	1,040,876	622,971	(417,905)
Total Revenues	1,053,376	1,053,376	636,492	(416,884)
Expenditures:				
Salaries and Benefits	223,093	223,093	197,612	25,481
Materials & Supplies	46,200	46,200	21,975	24,225
Cost of Goods Sold	623,000	623,000	248,164	374,836
Capital Outlays	201,801	201,801	238,450	(36,649)
Total Expenditures	1,094,094	1,094,094	706,201	387,893
Operating Income/(Loss) Before Depreciation	(40,718)	(40,718)	(69,709)	(28,991)
Other Financing Sources:				
Transfers In	-0-	-0-	21,320	21,320
Net Change in Fund Balances	(40,718)	(40,718)	(48,389)	(7,671)
Beginning Fund Balances	325,096	325,096	325,096	-0-
Ending Fund Balances	\$ 284,378	\$ 284,378	\$ 276,707	\$ (7,671)

Enterprise Funds

The **enterprise funds** are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the City Council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the City Council has decided that periodic determination of net income is appropriate for accountability purposes.

Alta Canyon Sports Center - This fund is used to account for the City's recreation center.

Water - This fund is used to account for the operations of the City's water utility.

Waste - This fund is used to account for waste collection services provided by an independent contractor.

Golf - This fund is used to account for the City's golf course.

SANDY CITY

Alta Canyon Sports Center

Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual

For the Year Ended June 30, 2010

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Operating Revenues:			
Charges for Sales & Services	\$ 673,625	\$ 690,227	\$ 16,602
Operating Expenses			
Salaries and Benefits	739,481	754,050	(14,569)
Materials & Supplies	179,114	149,235	29,879
Contracted Services	65,855	55,505	10,350
Internal Charges	33,214	33,214	-0-
Administrative Charges	67,578	67,578	-0-
Cost of Goods Sold	53,481	33,227	20,254
Non-Capital Improvements	29,534	10,105	19,429
Depreciation	57,004	57,004	-0-
Total Operating Expenses	1,225,261	1,159,918	65,343
Operating Income (Loss)	(551,636)	(469,691)	81,945
Nonoperating Revenues:			
General Property Taxes	364,500	358,777	(5,723)
Motor Vehicle Fee	38,600	38,925	325
Interest Income	1,350	35	(1,315)
Cell Tower Lease	34,160	35,265	1,105
Other Income	-0-	140	140
Total Nonoperating Revenues:	438,610	433,142	(5,468)
Change in Net Assets	(113,026)	(36,549)	76,477
Beginning Net Assets	1,022,405	1,022,405	-0-
Ending Net Assets	\$ 909,379	\$ 985,856	\$ 76,477

SANDY CITY

Water

Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual

For the Year Ended June 30, 2010

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Operating Revenues:			
Charges for Sales & Services	\$ 20,306,914	\$ 18,547,576	\$ (1,759,338)
Fees from Developers	64,280	129,146	64,866
Total Operating Revenues	20,371,194	18,676,722	(1,694,472)
Operating Expenses			
Salaries and Benefits	1,739,172	1,751,996	(12,824)
Materials & Supplies	674,000	508,808	165,192
Contracted Services	492,537	374,070	118,467
Internal Charges	1,059,395	464,954	594,441
Administrative Charges	883,835	883,835	-0-
Cost of Goods Sold	4,814,578	3,909,328	905,250
Non-Capital Improvements	4,437,549	4,387,101	50,448
Depreciation	3,322,688	3,322,688	-0-
Total Operating Expenses	17,423,754	15,602,780	1,820,974
Operating Income (Loss)	2,947,440	3,073,942	126,502
Nonoperating Revenues (Expenses):			
Interest Income	149,000	70,941	(78,059)
Cell Tower Lease	196,047	197,583	1,536
Gain (Loss) on Disposal of Asset	-0-	435,129	435,129
Other Income	(7,500)	(3,112)	4,388
Sale of Capital Assets	5,100	9,865	4,765
Bond Interest Expense	(990,887)	(867,196)	123,691
Total Nonoperating Revenues (Expenses)	(648,240)	(156,790)	491,450
Change in Net Assets	2,299,200	2,917,152	617,952
Beginning Net Assets	107,084,030	107,084,030	-0-
Ending Net Assets	\$ 109,383,230	\$ 110,001,182	\$ 617,952

SANDY CITY

Waste

Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual

For the Year Ended June 30, 2010

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Operating Revenues:			
Charges for Sales & Services	\$ 4,127,420	\$ 4,152,801	\$ 25,381
Operating Expenses			
Salaries and Benefits	240,547	236,750	3,797
Materials & Supplies	73,720	59,346	14,374
Internal Charges	150,212	123,677	26,535
Administrative Charges	329,218	329,218	-0-
Cost of Services	3,375,158	3,055,381	319,777
Total Operating Expenses	4,168,855	3,804,372	364,483
Operating Income (Loss)	(41,435)	348,429	389,864
Nonoperating Revenues:			
Interest Income	8,500	10,732	2,232
Other Income	-0-	(4,939)	(4,939)
Total Nonoperating Revenues:	8,500	5,793	(2,707)
Change in Net Assets	(32,935)	354,222	387,157
Beginning Net Assets	6,982,899	6,982,899	-0-
Ending Net Assets	\$ 6,949,964	\$ 7,337,121	\$ 387,157

SANDY CITY

Golf

Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual

For the Year Ended June 30, 2010

	Budget		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Operating Revenues:				
Charges for Sales & Services	\$ 1,371,050	\$ 1,371,050	\$ 1,256,416	\$ (114,634)
Operating Expenses				
Salaries and Benefits	521,925	521,925	512,698	9,227
Materials & Supplies	189,418	189,418	167,012	22,406
Contracted Services	50,977	50,977	41,303	9,674
Internal Charges	89,303	89,303	89,303	-0-
Administrative Charges	42,468	42,468	42,468	-0-
Cost of Services	187,300	187,300	212,046	(24,746)
Non-Capital Improvements	40,663	40,663	474	40,189
Depreciation	41,221	41,221	41,221	-0-
Total Operating Expenses	1,163,275	1,163,275	1,106,525	56,750
Operating Income (Loss)	207,775	207,775	149,891	(57,884)
Nonoperating Revenues (Expenses):				
Interest Income	500	500	-0-	(500)
Other Income (Expense)	(2,000)	(2,799)	32,962	35,761
Bond Interest Expense	(195,393)	(195,393)	(195,393)	-0-
Total Nonoperating Revenues (Expenses)	(196,893)	(197,692)	(162,431)	35,261
Income (Loss) Before Capital	10,882	10,083	(12,540)	(22,623)
Transfers In	150,000	150,000	150,000	-0-
Change in Net Assets	160,882	160,083	137,460	(22,623)
Beginning Net Assets	1,778,420	1,778,420	1,778,420	-0-
Ending Net Assets	\$ 1,939,302	\$ 1,938,503	\$ 1,915,880	\$ (22,623)

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Internal Service Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis.

Fleet - This fund is used to account for the rental of machinery, equipment, vehicles, and their related costs to other departments.

Information Services - This fund is used to account for the accumulation and allocation of costs associated with the centralized data processing systems.

Risk Management - This fund is used to account for the accumulation and allocation of costs associated with general liability, worker's compensation and risk management functions.

Equipment Management - This fund is used to account for the accumulation and allocation of costs associated with the purchase of equipment for the governmental funds.

Payroll Management - This fund is used to account for the liability associated with the accumulation of employee compensated absences.

SANDY CITY**Combining Statement of Net Assets****Internal Service Funds****June 30, 2010****With Comparative Totals for 2009**

						Totals Internal Services Funds	
	Fleet	Information Services	Risk Management	Equipment Management	Payroll Management	2010	2009
<u>ASSETS:</u>							
Current Assets:							
Cash and Cash Equivalents	\$ 3,316,213	\$ 1,205,625	\$ 3,449,369	\$ 783,266	\$ 2,965,514	\$ 11,719,987	\$ 11,543,180
Receivables	-0-	-0-	377,465	-0-	-0-	377,465	380,595
Inventories	92,889	-0-	-0-	-0-	-0-	92,889	58,336
Other Assets	-0-	-0-	-0-	-0-	11,352	11,352	416,000
Total Current Assets	3,409,102	1,205,625	3,826,834	783,266	2,976,866	12,201,693	12,398,111
Land, Building, Plant, and Equipment	20,039,423	2,469,940	-0-	-0-	-0-	22,509,363	21,941,693
Accumulated Depreciation	(14,070,170)	(1,983,015)	-0-	-0-	-0-	(16,053,185)	(15,382,123)
Construction in Progress	756,867	-0-	-0-	-0-	-0-	756,867	432,705
Total Assets	10,135,222	1,692,550	3,826,834	783,266	2,976,866	19,414,738	19,390,386
<u>LIABILITIES AND FUND BALANCES:</u>							
Current Liabilities:							
Accounts Payable	106,330	3,414	21,618	16,767	-0-	148,129	161,321
Salaries & Benefits Payable	27,403	31,222	8,610	-0-	-0-	67,235	52,079
Claims & Judgements Payable	-0-	-0-	271,153	-0-	-0-	271,153	224,048
Deferred Property Tax	-0-	-0-	398,566	-0-	-0-	398,566	399,101
Compensated Absences	-0-	-0-	-0-	-0-	76,282	76,282	76,282
Total Current Liabilities	133,733	34,636	699,947	16,767	76,282	961,365	912,831
Noncurrent Liabilities							
Compensated Absences	-0-	-0-	-0-	-0-	1,550,995	1,550,995	1,583,990
Total Noncurrent Liabilities:	-0-	-0-	-0-	-0-	1,550,995	1,550,995	1,583,990
Total Liabilities	133,733	34,636	699,947	16,767	1,627,277	2,512,360	2,496,821
<u>NET ASSETS:</u>							
Invested In Capital Assets, Net of Related Debt	6,726,120	486,925	-0-	-0-	-0-	7,213,045	6,992,275
Unrestricted	3,275,369	1,170,989	3,126,887	766,499	1,349,589	9,689,333	9,901,290
Total Net Assets	\$ 10,001,489	\$ 1,657,914	\$ 3,126,887	\$ 766,499	\$ 1,349,589	\$ 16,902,378	\$ 16,893,565

SANDY CITY

Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets

Internal Services Fund

For the Year Ended June 30, 2010

With Comparative Totals for the Year Ended 2009

						Totals Internal Services Funds	
	Fleet	Information Services	Risk Management	Equipment Management	Payroll Management	2010	2009
Operating Revenue							
Charges for Sales & Services	\$ 3,415,091	\$ 1,381,673	\$ 695,348	\$ 690,911	\$ 335,234	\$ 6,518,257	\$ 7,120,182
Miscellaneous Revenues	772	-0-	20,060	-0-	-0-	20,832	11,650
Total Revenues	3,415,863	1,381,673	715,408	690,911	335,234	6,539,089	7,131,832
Operating Expenses							
Salaries and Benefits	613,343	678,821	212,669	-0-	234,100	1,738,933	1,867,341
Materials & Supplies	13,829	9,826	8,672	-0-	-0-	32,327	49,538
Contracted Services	4,074	213,628	882,086	-0-	-0-	1,099,788	1,048,013
Internal Charges	17,637	-0-	9,417	-0-	-0-	27,054	30,069
Administrative Charges	139,256	218,975	74,642	-0-	-0-	432,873	393,521
Cost of Goods Sold	995,513	-0-	-0-	-0-	-0-	995,513	1,137,053
Non-Capital Improvements	24,980	195,268	-0-	140,626	-0-	360,874	722,675
Depreciation	1,458,633	127,933	-0-	-0-	-0-	1,586,566	1,582,217
Total Operating Expenses	3,267,265	1,444,451	1,187,486	140,626	234,100	6,273,928	6,830,427
Operating Income (Loss)	148,598	(62,778)	(472,078)	550,285	101,134	265,161	301,405
Nonoperating Revenues (Expenses):							
General Property Taxes	-0-	-0-	390,199	-0-	-0-	390,199	381,292
Interest Income	22,394	8,757	24,520	4,284	20,302	80,257	279,112
Other Income	-0-	-0-	-0-	-0-	-0-	-0-	20,899
Gain (Loss) on Disposal of Asset	79,177	4,179	-0-	-0-	-0-	83,356	(194,144)
Total Nonoperating Revenues	101,571	12,936	414,719	4,284	20,302	553,812	487,159
Income (Loss) Before Capital Contributions and Transfers	250,169	(49,842)	(57,359)	554,569	121,436	818,973	788,564
Transfers:							
Transfers In	20,000	-0-	-0-	-0-	-0-	20,000	-0-
Transfers Out	-0-	-0-	-0-	(830,160)	-0-	(830,160)	(251,122)
Total Other Financing Sources (Uses)	20,000	-0-	-0-	(830,160)	-0-	(810,160)	(251,122)
Change in Net Assets	270,169	(49,842)	(57,359)	(275,591)	121,436	8,813	537,442
Net Assets - Beginning	9,731,320	1,707,756	3,184,246	1,042,090	1,228,153	16,893,565	16,356,123
Net Assets - Ending	\$ 10,001,489	\$ 1,657,914	\$ 3,126,887	\$ 766,499	\$ 1,349,589	\$ 16,902,378	\$ 16,893,565

SANDY CITY

Combining Statement of Cash Flows

Internal Service Funds

For the Year Ended June 30, 2010

With Comparative Totals for the Year Ended 2009

		Information	Risk	Equipment	Payroll	Totals Internal Services Funds	
	Fleet	Services	Management	Management	Management	2010	2009
Cash Flows from Operating Activities:							
Receipts from Customers	\$ 3,415,863	\$ 1,381,673	\$ 718,538	\$ 690,911	\$ 335,234	\$ 6,542,219	\$ 7,144,539
Payments to Suppliers	(1,196,650)	(670,448)	(937,889)	(144,082)	404,648	(2,544,421)	(3,976,411)
Payments to Employees	(607,528)	(669,518)	(212,631)	-0-	(267,095)	(1,756,772)	(1,938,140)
Net Cash Provided (Used) by Operating Activities	1,611,685	41,707	(431,982)	546,829	472,787	2,241,026	1,229,988
Cash Flows from Noncapital Financing Activities:							
Tax Receipts	-0-	-0-	389,664	-0-	-0-	389,664	392,292
Other Income	-0-	-0-	-0-	-0-	-0-	-0-	20,899
Transfers to Other Funds	20,000	-0-	-0-	(830,160)	-0-	(810,160)	(251,122)
Net Cash Provided (Used) by Noncapital Financing Activities	20,000	-0-	389,664	(830,160)	-0-	(420,496)	162,069
Cash Flows from Capital and Related Financing Activities:							
Acquisition of Capital Assets	(1,634,272)	(197,779)	-0-	-0-	-0-	(1,832,051)	(2,151,333)
Proceeds from Sale of Capital Assets	103,892	4,179	-0-	-0-	-0-	108,071	112,597
Net Cash Used by Capital and Related Financing Activities	(1,530,380)	(193,600)	-0-	-0-	-0-	(1,723,980)	(2,038,736)
Cash Flows from Investing Activities:							
Interest Income Received	22,394	8,757	24,520	4,284	20,302	80,257	279,112
Net Increase (Decrease) in Cash and Cash Equivalents	123,699	(143,136)	(17,798)	(279,047)	493,089	176,807	(367,567)
Cash and Cash Equivalents:							
Beginning of Year	3,192,514	1,348,761	3,467,167	1,062,313	2,472,425	11,543,180	11,910,747
End of Year	\$ 3,316,213	\$ 1,205,625	\$ 3,449,369	\$ 783,266	\$ 2,965,514	\$ 11,719,987	\$ 11,543,180

Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) By Operating Activities:

Operating Income (Loss)	\$ 148,598	\$ (62,778)	\$ (472,078)	\$ 550,285	\$ 101,134	\$ 265,161	\$ 301,405
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) By Operating Activities:							
Depreciation	1,458,633	127,933	-0-	-0-	-0-	1,586,566	1,582,217
Increase (Decrease) Due to Changes in:							
Accounts Receivables	-0-	-0-	3,130	-0-	-0-	3,130	12,707
Inventories	(34,553)	-0-	-0-	-0-	-0-	(34,553)	4,350
Prepaid Assets	-0-	-0-	-0-	-0-	404,648	404,648	(416,000)
Accounts Payable	33,192	(32,751)	36,928	(3,456)	-0-	33,913	(183,892)
Salaries & Benefits Payable	5,815	9,303	38	-0-	(32,995)	(17,839)	(70,799)
Net Cash Provided (Used) by Operating Activities	\$ 1,611,685	\$ 41,707	\$ (431,982)	\$ 546,829	\$ 472,787	\$ 2,241,026	\$ 1,229,988

SANDY CITY

Fleet

Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual

For the Year Ended June 30, 2010

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating Revenues:				
Charges for Sales & Services	\$ 3,601,914	\$ 3,548,956	\$ 3,415,091	\$ (133,865)
Miscellaneous Revenues	25,000	25,000	772	(24,228)
Total Operating Revenues	3,626,914	3,573,956	3,415,863	(158,093)
Operating Expenses				
Salaries and Benefits	706,530	672,121	613,343	58,778
Materials & Supplies	17,317	17,317	13,829	3,488
Contracted Services	8,000	8,000	4,074	3,926
Internal Charges	17,637	17,637	17,637	-0-
Administrative Charges	139,256	139,256	139,256	-0-
Cost of Services	1,327,242	1,326,693	995,513	331,180
Non-Capital Improvements	59,000	59,000	24,980	34,020
Depreciation	1,458,633	1,458,633	1,458,633	-0-
Total Operating Expenses	3,733,615	3,698,657	3,267,265	431,392
Operating Income (Loss)	(106,701)	(124,701)	148,598	273,299
Nonoperating Revenues (Expenses):				
Interest Income	45,000	45,000	22,394	(22,606)
Gain (Loss) on Disposal of Asset	56,000	56,000	79,177	23,177
Total Nonoperating Revenues (Expenses)	101,000	101,000	101,571	571
Income (Loss) Before Capital	(5,701)	(23,701)	250,169	273,870
Transfers:				
Transfers In	20,000	20,000	20,000	-0-
Change in Net Assets	14,299	(3,701)	270,169	273,870
Beginning Net Assets	9,731,320	9,731,320	9,731,320	-0-
Ending Net Assets	\$ 9,745,619	\$ 9,727,619	\$ 10,001,489	\$ 273,870

SANDY CITY

Information Services

Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual

For the Year Ended June 30, 2010

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Operating Revenues:			
Charges for Sales & Services	\$ 1,371,634	\$ 1,381,673	\$ 10,039
Operating Expenses			
Salaries and Benefits	673,379	678,821	(5,442)
Materials & Supplies	35,395	9,826	25,569
Contracted Services	261,380	213,628	47,752
Administrative Charges	218,975	218,975	-0-
Non-Capital Improvements	444,081	195,268	248,813
Depreciation	127,933	127,933	-0-
Total Operating Expenses	1,761,143	1,444,451	316,692
Operating Income (Loss)	(389,509)	(62,778)	326,731
Nonoperating Revenues (Expenses):			
Interest Income	19,500	8,757	(10,743)
Gain (Loss) on Disposal of Asset	-0-	4,179	4,179
Total Nonoperating Revenues (Expenses)	19,500	12,936	(6,564)
Change in Net Assets	(370,009)	(49,842)	320,167
Beginning Net Assets	1,707,756	1,707,756	-0-
Ending Net Assets	\$ 1,337,747	\$ 1,657,914	\$ 320,167

SANDY CITY

Risk Management

Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual

For the Year Ended June 30, 2010

	Budget		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Operating Revenues:				
Charges for Sales & Services	\$ 661,704	\$ 659,306	\$ 695,348	\$ 36,042
Miscellaneous Revenues	-0-	-0-	20,060	20,060
Total Operating Revenues	661,704	659,306	715,408	56,102
Operating Expenses				
Salaries and Benefits	235,537	235,387	212,669	22,718
Materials & Supplies	14,707	12,459	8,672	3,787
Contracted Services	823,537	973,537	882,086	91,451
Internal Charges	9,417	9,417	9,417	-0-
Administrative Charges	74,642	74,642	74,642	-0-
Total Operating Expenses	1,157,840	1,305,442	1,187,486	117,956
Operating Income (Loss)	(496,136)	(646,136)	(472,078)	174,058
Nonoperating Revenues (Expenses):				
General Property Taxes	399,101	399,101	390,199	(8,902)
Interest Income	35,035	35,035	24,520	(10,515)
Total Nonoperating Revenues (Expenses)	434,136	434,136	414,719	(19,417)
Change in Net Assets	(62,000)	(212,000)	(57,359)	154,641
Beginning Net Assets	3,184,246	3,184,246	3,184,246	-0-
Ending Net Assets	\$ 3,122,246	\$ 2,972,246	\$ 3,126,887	\$ 154,641

SANDY CITY

Equipment Management

Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual

For the Year Ended June 30, 2010

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Operating Revenues:			
Charges for Sales & Services	\$ -0-	\$ 690,911	\$ 690,911
Operating Expenses			
Non-Capital Improvements	1,042,090	140,626	901,464
Operating Income (Loss)	(1,042,090)	550,285	1,592,375
Nonoperating Revenues:			
Interest Income	-0-	4,284	4,284
Income (Loss) Before Capital	(1,042,090)	554,569	1,596,659
Transfers:			
Transfers Out	-0-	(830,160)	(830,160)
Change in Net Assets	(1,042,090)	(275,591)	766,499
Beginning Net Assets	1,042,090	1,042,090	-0-
Ending Net Assets	<u>\$ -0-</u>	<u>\$ 766,499</u>	<u>\$ 766,499</u>

SANDY CITY

Payroll Management

Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual

For the Year Ended June 30, 2010

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Operating Revenues:			
Charges for Sales & Services	\$ 793,957	\$ 335,234	\$ (458,723)
Operating Expenses			
Salaries and Benefits	793,957	234,100	559,857
Operating Income (Loss)	-0-	101,134	101,134
Nonoperating Revenues:			
Interest Income	36,400	20,302	(16,098)
Change in Net Assets	36,400	121,436	85,036
Beginning Net Assets	1,228,153	1,228,153	-0-
Ending Net Assets	<u>\$ 1,264,553</u>	<u>\$ 1,349,589</u>	<u>\$ 85,036</u>

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Capital Assets Used In the Operations Of Governmental Funds

SANDY CITY

Capital Assets Used in the Operation of Governmental Funds

Comparative Schedules by Source¹

June 30, 2010 and 2009

	2010	2009
Governmental funds capital assets:		
Land	\$ 217,417,904	\$ 217,211,517
Buildings	36,420,213	36,411,461
Improvements other than Buildings	21,672,716	20,654,404
Machinery and Equipment	2,655,866	2,544,200
Autos and Trucks	85,160	85,160
Infrastructure	123,404,816	121,964,156
Street Light Improvements	10,262,124	10,262,124
Storm Drain Improvements	37,115,580	31,907,033
Construction In Progress	23,675,310	19,035,314
Total governmental funds capital assets	<u>\$ 472,709,689</u>	<u>\$ 460,075,369</u>

Investments in governmental funds capital assets by source:

General	\$ 2,294,769	\$ 2,088,220
Capital Projects	110,001,166	97,202,065
Infrastructure	286,629,247	288,556,704
Special Revenue	23,886,062	23,886,062
Electric Utilities	10,262,124	10,262,124
Storm Water	39,636,321	38,080,194
Total governmental funds capital assets	<u>\$ 472,709,689</u>	<u>\$ 460,075,369</u>

¹This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

SANDY CITY
Capital Assets Used in the Operation of Governmental Funds
Schedule by Function and Activity¹
June 30, 2010

Function and Activity	Land	Buildings	Improvements other than Building	Machinery and Equipment	Vehicles	Street Light Improvements	Storm Water Improvements	Infrastructure	Construction in Progress	Total
General Government	\$ 4,196,528	\$ 16,109,885	\$ 887,130	\$ 384,188	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 21,577,731
Public Safety:										
Police Department										
(Including Animal Control)	116,857	1,681,941	107,568	900,312	71,221	-0-	-0-	-0-	-0-	2,877,899
Fire Department	619,613	5,785,423	124,942	873,792	13,939	-0-	-0-	-0-	-0-	7,417,709
Total Public Safety	736,470	7,467,364	232,510	1,774,104	85,160	-0-	-0-	-0-	-0-	10,295,608
Public Works	175,535,354	1,403,700	1,276,064	229,198	-0-	-0-	-0-	-0-	-0-	178,444,316
Parks and Recreation	16,478,440	11,152,716	19,275,157	207,779	-0-	-0-	-0-	-0-	-0-	47,114,092
Community Development	-0-	286,548	1,855	35,087	-0-	-0-	-0-	-0-	-0-	323,490
Redevelopment Agency	717,131	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	717,131
Storm Water	-0-	-0-	-0-	25,510	-0-	-0-	37,115,580	-0-	-0-	37,141,090
Electric Utilities	-0-	-0-	-0-	-0-	-0-	10,262,124	-0-	-0-	-0-	10,262,124
Streets and Roads	-0-	-0-	-0-	-0-	-0-	-0-	-0-	119,272,735	-0-	119,272,735
Special Improvement Districts	19,753,981	-0-	-0-	-0-	-0-	-0-	-0-	4,132,081	-0-	23,886,062
Construction in Progress	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	23,675,310	23,675,310
Total governmental funds capital assets	\$ 217,417,904	\$ 36,420,213	\$ 21,672,716	\$ 2,655,866	\$ 85,160	\$ 10,262,124	\$ 37,115,580	\$ 123,404,816	\$ 23,675,310	\$ 472,709,689

¹This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

SANDY CITY

Capital Assets Used in the Operation of Governmental Funds

Schedule of Changes by Function and Activity¹

For the Fiscal Year Ended June 30, 2010

	<u>June 30, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2010</u>
General Government	\$ 21,559,390	\$ 18,341	\$ -0-	\$ 21,577,731
Public Safety:				
Police Department (Including Animal Control)	2,838,321	39,578	-0-	2,877,899
Fire Department	<u>7,417,709</u>	<u>-0-</u>	<u>-0-</u>	<u>7,417,709</u>
Total Public Safety	<u>10,256,030</u>	<u>39,578</u>	<u>-0-</u>	<u>10,295,608</u>
Public Works	177,955,027	489,289	-0-	178,444,316
Parks & Recreation	46,155,528	958,564	-0-	47,114,092
Community Development	323,490	-0-	-0-	323,490
Redevelopment Agency	717,131	-0-	-0-	717,131
Storm Water	32,093,198	5,208,549	160,657	37,141,090
Electric Utilities	10,262,124	-0-	-0-	10,262,124
Streets and Roads	117,832,074	1,440,661	-0-	119,272,735
Special Improvement Districts	23,886,062	-0-	-0-	23,886,062
Construction in Progress	<u>19,035,314</u>	<u>10,542,200</u>	<u>5,902,204</u>	<u>23,675,310</u>
	<u>\$ 460,075,368</u>	<u>\$ 18,697,182</u>	<u>\$ 6,062,861</u>	<u>\$ 472,709,689</u>

¹This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

STATISTICAL SECTION

STATISTICAL SECTION

This part of Sandy City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	124
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	
Revenue Capacity	131
<i>These schedules contain information to help the reader assess the City's most significant local revenue source, water revenue. Property tax information has also been included.</i>	
Debt Capacity	137
<i>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	142
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	
Operating Information	144
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</i>	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the current year.

Sandy City
Net Assets by Component
Last Eight Fiscal Years Ended June 30
(Accrual Basis of Accounting)

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Governmental Activities								
Invested in Capital Assets, Net of Related Debt	\$ 316,319,735	\$ 322,769,699	\$ 326,487,853	\$ 337,682,449	\$ 352,748,948	\$ 352,072,052	\$ 352,803,926	\$ 360,090,012
Restricted	10,852,892	9,357,059	5,914,418	5,646,513	5,585,051	9,887,074	9,195,548	6,081,370
Unrestricted	23,216,521	24,661,254	33,383,930	37,259,435	38,037,945	39,245,504	38,325,370	37,908,495
Total Governmental Activities Net Assets	<u>\$ 350,389,148</u>	<u>\$ 356,788,012</u>	<u>\$ 365,786,201</u>	<u>\$ 380,588,397</u>	<u>\$ 396,371,944</u>	<u>\$ 401,204,630</u>	<u>\$ 400,324,844</u>	<u>\$ 404,079,877</u>
Business Type Activities								
Invested in Capital Assets, Net of Related Debt	\$ 44,732,306	\$ 48,891,585	\$ 49,315,238	\$ 36,734,060	\$ 68,892,235	\$ 72,410,556	\$ 98,077,342	\$ 101,588,419
Restricted	1,489,397	223,136	-0-	-0-	-0-	-0-	-0-	-0-
Unrestricted	29,402,041	34,098,051	36,611,766	53,590,820	26,416,189	28,901,116	19,597,014	19,453,586
Total Business-Type Activities Net Assets	<u>\$ 75,623,744</u>	<u>\$ 83,212,772</u>	<u>\$ 85,927,004</u>	<u>\$ 90,324,880</u>	<u>\$ 95,308,424</u>	<u>\$ 101,311,672</u>	<u>\$ 117,674,356</u>	<u>\$ 121,042,005</u>
Primary government								
Invested in Capital Assets, Net of Related Debt	\$ 361,052,041	\$ 371,661,284	\$ 375,803,091	\$ 374,416,509	\$ 392,073,152	\$ 424,482,608	\$ 450,881,268	\$ 461,678,431
Restricted	12,342,289	9,580,195	5,914,418	5,646,513	5,407,424	9,887,074	9,195,548	6,081,370
Unrestricted	52,618,562	58,759,305	69,995,696	90,850,255	94,199,792	68,146,620	57,922,384	57,362,081
Total Primary Government Net Assets	<u>\$ 426,012,892</u>	<u>\$ 440,000,784</u>	<u>\$ 451,713,205</u>	<u>\$ 470,913,277</u>	<u>\$ 491,680,368</u>	<u>\$ 502,516,302</u>	<u>\$ 517,999,200</u>	<u>\$ 525,121,882</u>

Note: The City did not gather this information prior to the implementation of GASB Statement 34 in 2003. As such a ten year history is not available.

Sandy City
Changes in Net Assets
Last Eight Fiscal Years Ended June 30
(Accrual Basis of Accounting)

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Expenses								
<i>Governmental Activities:</i>								
General Government	\$ 6,354,049	\$ 6,099,168	\$ 6,732,132	\$ 6,627,873	\$ 6,867,682	\$ 8,211,847	\$ 7,329,037	\$ 5,675,297
Police & Animal Control	10,921,199	11,039,961	11,574,194	11,758,990	12,006,296	12,714,056	13,147,989	13,280,541
Fire	6,592,822	6,684,265	6,547,657	6,844,133	6,706,058	7,752,211	8,278,635	7,809,329
Public Works	5,324,632	8,298,500	7,492,157	5,198,265	7,755,946	5,235,022	9,055,057	7,017,165
Parks, Landscapes, and Cemetery	2,927,991	3,313,008	4,163,629	3,463,605	4,510,115	4,073,782	4,706,362	4,752,925
Community Development	2,077,192	2,067,518	2,086,736	2,346,659	2,410,950	2,550,854	2,394,433	2,547,332
Economic Development	902,182	1,038,250	1,348,916	2,510,664	1,773,179	16,696,628	11,840,581	8,100,642
Recreation & Cultural Events	1,564,928	1,427,152	1,547,212	1,739,575	1,608,880	2,475,499	2,462,140	2,498,878
Electric Utility	772,840	897,171	870,085	938,764	957,904	1,002,939	1,397,632	1,074,688
Storm Water Utility	1,174,075	1,600,171	1,731,367	3,938,323	1,997,000	2,461,502	2,785,855	2,408,934
Interest on Long-Term Debt	2,608,382	2,412,157	2,237,033	2,127,833	1,855,689	3,267,144	3,861,292	3,845,903
Total Governmental Activities	41,220,292	44,877,321	46,331,118	47,494,684	48,449,699	66,441,484	67,259,013	59,011,635
<i>Business-Type Activities:</i>								
Alta Canyon Sports Center	1,002,446	1,034,668	1,058,633	1,066,562	1,114,365	1,174,844	1,335,997	1,160,884
Water	10,406,190	10,231,959	12,901,791	16,136,948	17,219,050	16,892,738	18,255,604	16,488,063
Waste	3,344,378	3,477,255	3,658,358	3,624,065	3,663,177	3,823,602	3,899,198	3,794,550
Golf Course	912,133	1,256,006	1,209,418	1,323,255	1,363,593	1,422,631	1,390,689	1,302,363
Total Business-Type Activities	15,665,147	15,999,888	18,828,200	22,150,830	23,360,185	23,313,815	24,881,488	22,745,860
Total Primary Government Expenses	\$ 56,885,439	\$ 60,877,209	\$ 65,159,318	\$ 69,645,514	\$ 71,809,884	\$ 89,755,299	\$ 92,140,501	\$ 81,757,495
Program Revenues								
<i>Governmental Activities:</i>								
Charges for Services:								
General Government	\$ 27,932	\$ 136,348	\$ 30,691	\$ 36,990	\$ 31,406	\$ 35,343	\$ 77,775	\$ 43,766
Police & Animal Control	2,503,235	3,040,121	3,672,182	3,198,097	3,552,617	3,267,375	3,283,311	3,320,215
Fire	1,043,746	1,344,975	1,411,659	1,726,046	1,941,523	2,133,336	2,394,548	2,237,500
Public Works	371,506	2,801,034	2,894,576	1,506,543	651,629	94,711	507,198	110,630
Community Development	1,754,869	1,810,767	2,188,270	2,762,696	2,935,698	2,801,626	2,211,134	1,655,277
Economic Development	3,500,288	3,515,038	4,002,758	4,406,573	4,592,366	4,678,009	5,166,124	5,391,945
Culture and Recreation	851,002	831,788	1,009,439	944,071	1,026,208	1,198,485	1,090,816	1,192,418
Storm Water Utility	3,021,733	2,973,078	3,258,241	3,652,827	3,436,837	4,753,257	3,429,374	3,369,493
Other Activities	166,786	198,701	190,948	205,994	714,630	653,063	476,673	321,288
Operating Grants and Contributions	3,779,329	4,212,373	3,702,446	4,624,621	3,908,887	3,707,626	4,398,829	3,506,589
Capital Grants and Contributions	331,364	385,028	447,787	2,553,325	4,032,491	6,319,117	6,364,193	6,002,981
Total Governmental Activities Program Revenues	17,351,790	21,249,251	22,808,997	25,617,783	26,824,292	29,641,948	29,399,975	27,152,102
<i>Business-Type Activities:</i>								
Charges for Services:								
Water	14,741,718	16,323,557	15,287,242	19,324,327	20,293,651	21,606,851	31,465,573	19,318,188
Waste	3,617,167	3,745,924	3,738,162	3,539,681	4,441,427	4,158,532	3,943,034	4,147,863
Alta Canyon	595,545	574,708	571,502	588,592	697,636	736,662	691,144	725,632
Golf Course	1,013,868	1,127,817	1,139,850	1,950,594	1,413,436	1,403,439	1,348,976	1,292,416
Operating Grants and Contributions	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Capital Grants and Contributions	2,813,543	1,172,856	-0-	-0-	-0-	-0-	2,793,500	-0-
Total Business-Type Activities Program Revenues	22,781,841	22,944,862	20,736,756	25,403,194	26,846,150	27,905,484	40,242,227	25,484,099
Total Primary Government Program Revenues	\$ 40,133,631	\$ 44,194,113	\$ 43,545,753	\$ 51,020,977	\$ 53,670,442	\$ 57,547,432	\$ 69,642,202	\$ 52,636,201
Net (Expense)/Revenue								
Governmental Activities	(23,868,502)	(23,628,070)	(23,522,121)	(21,876,901)	(21,625,407)	(36,799,536)	(37,859,038)	(31,859,533)
Business-Type Activities	7,116,694	6,944,974	1,908,556	3,252,364	3,485,965	4,591,669	15,360,739	2,738,239
Total Primary Government Net Expense	\$ (16,751,808)	\$ (16,683,096)	\$ (21,613,565)	\$ (18,624,537)	\$ (18,139,442)	\$ (32,207,867)	\$ (22,498,299)	\$ (29,121,294)

Note: The City did not gather this information prior to the implementation of GASB Statement 34 in 2003. As such a ten year history is not available.

Sandy City
Changes in Net Assets (Continued)
Last Eight Fiscal Years Ended June 30
(Accrual Basis of Accounting)

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
General Revenues and Other Changes in Net Assets								
<i>Governmental Activities:</i>								
Taxes								
Property Taxes	\$ 7,088,504	\$ 7,323,101	\$ 7,262,922	\$ 7,350,178	\$ 7,455,228	\$ 7,538,275	\$ 7,600,153	\$ 7,690,136
Sales Taxes	14,569,744	15,161,445	15,857,517	17,681,709	19,286,918	19,746,002	17,109,760	16,064,881
Franchise Taxes	4,299,404	4,688,366	6,284,131	6,600,373	7,091,234	7,145,328	7,382,659	7,422,695
Motor Vehicle Tax	918,730	881,376	818,905	825,617	824,486	757,242	740,318	694,237
Unrestricted Grants and Contributions	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Transient Room Tax	-0-	-0-	-0-	-0-	-0-	2,710,280	2,007,787	1,903,278
Investment Earnings	873,325	410,215	709,066	1,472,455	2,104,210	1,872,278	949,654	335,580
Miscellaneous	1,454,708	1,712,431	1,737,769	2,904,375	887,525	1,835,190	1,338,921	1,653,758
Transfers	(334,187)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)
<i>Total Government Activities</i>	<u>28,870,228</u>	<u>30,026,934</u>	<u>32,520,310</u>	<u>36,684,707</u>	<u>37,499,601</u>	<u>41,454,595</u>	<u>36,979,252</u>	<u>35,614,565</u>
<i>Business-Type Activities:</i>								
Taxes								
Property Taxes	273,683	292,996	290,752	291,608	354,469	362,227	358,714	358,777
Motor Vehicle Tax	38,578	41,551	37,835	38,424	50,017	40,583	42,234	38,925
Investment Earnings	228,749	159,507	327,089	665,480	943,093	858,769	450,997	81,708
Transfers	334,187	150,000	150,000	150,000	150,000	150,000	150,000	150,000
<i>Total Business-Type Activities</i>	<u>875,197</u>	<u>644,054</u>	<u>805,676</u>	<u>1,145,512</u>	<u>1,497,579</u>	<u>1,411,579</u>	<u>1,001,945</u>	<u>629,410</u>
Total Primary Government	<u>\$ 29,745,425</u>	<u>\$ 30,670,988</u>	<u>\$ 33,325,986</u>	<u>\$ 37,830,219</u>	<u>\$ 38,997,180</u>	<u>\$ 42,866,174</u>	<u>\$ 37,981,197</u>	<u>\$ 36,243,975</u>
Changes in Net Assets								
Governmental Activities	5,001,726	6,398,864	8,998,189	14,807,806	15,874,194	4,655,059	(879,786)	3,755,032
Business-Type Activities	7,991,891	7,589,028	2,714,232	4,397,876	4,983,544	6,003,248	16,362,684	3,367,649
Total Primary Government	<u>\$ 12,993,617</u>	<u>\$ 13,987,892</u>	<u>\$ 11,712,421</u>	<u>\$ 19,205,682</u>	<u>\$ 20,857,738</u>	<u>\$ 10,658,307</u>	<u>\$ 15,482,898</u>	<u>\$ 7,122,681</u>

Note: The City did not gather this information prior to the implementation of GASB Statement 34 in 2003. As such a ten year history is not available.

Sandy City

Government Activities Tax Revenues by Source

Last Ten Fiscal Years Ended June 30

(Accrual Basis of Accounting)

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Motor Fuel Tax	Transient Room Tax	Total
2001	\$ 6,068,967	\$ 14,773,043	\$ 4,435,823	\$ 721,930	\$ -0-	\$ 25,999,763
2002	7,039,466	14,740,321	4,501,770	867,215	-0-	27,148,772
2003	7,088,504	14,569,744	4,299,404	918,730	-0-	26,876,382
2004	7,323,101	15,161,445	4,688,366	881,376	-0-	28,054,288
2005	7,262,922	15,857,517	6,284,131	818,905	-0-	30,223,475
2006	7,350,178	17,681,709	6,600,373	825,617	-0-	32,457,877
2007	7,455,228	19,286,918	7,091,234	824,486	-0-	34,657,866
2008	7,538,275	19,746,002	7,145,328	757,242	2,710,280	37,897,127
2009	7,600,153	17,109,760	7,382,659	740,318	2,007,787	34,840,677
2010	7,690,136	16,064,881	7,422,695	694,237	1,903,278	33,775,227

Source: Sandy City Finance Department

Sandy City

Fund Balances of Governmental Funds

Last Ten Fiscal Years Ended June 30

(Modified Accrual Basis of Accounting)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Fund										
Reserved	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 177,627	\$ 156,328	\$ 2,450	\$ 29,943
Unreserved	3,709,277	3,939,277	4,089,891	4,154,891	4,154,891	4,897,087	5,522,615	5,546,417	5,296,574	5,075,335
Total General Fund	<u>\$ 3,709,277</u>	<u>\$ 3,939,277</u>	<u>\$ 4,089,891</u>	<u>\$ 4,154,891</u>	<u>\$ 4,154,891</u>	<u>\$ 4,897,087</u>	<u>\$ 5,700,242</u>	<u>\$ 5,702,745</u>	<u>\$ 5,299,024</u>	<u>\$ 5,105,278</u>
All Other Governmental Funds										
Reserved for:										
Debt Service	\$ 4,105,730	\$ 4,105,730	\$ 4,218,330	\$ 3,010,830	\$ 1,420,600	\$ 1,420,600	\$ 979,700	\$ 1,779,700	\$ 2,643,536	\$ 1,936,036
Capital Projects	6,324,753	3,392,020	5,153,891	5,082,959	3,516,808	3,751,658	4,117,807	7,804,211	6,475,937	3,499,553
Roads	1,372,464	1,299,106	1,480,671	1,263,270	977,010	474,255	309,917	146,835	73,625	615,838
Special Revenues	-0-	-0-	3,396,231	3,442,350	-0-	-0-	-0-	-0-	-0-	-0-
Unreserved:										
Debt Service	1,003,143	597,197	597,197	1,192,493	1,414,559	1,510,146	2,228,398	530,801	545,030	693,169
Capital Projects	9,488,670	10,037,598	10,037,598	6,904,519	9,952,490	12,876,762	13,143,871	15,264,035	14,158,370	13,346,424
Special Revenues	15,561,514	17,732,493	1,162,806	4,471,071	11,698,810	10,932,860	9,296,182	9,879,327	9,973,264	10,589,159
Total All Other Governmental Funds	<u>\$ 37,856,274</u>	<u>\$ 37,164,144</u>	<u>\$ 26,046,724</u>	<u>\$ 25,367,492</u>	<u>\$ 28,980,277</u>	<u>\$ 30,966,281</u>	<u>\$ 30,075,875</u>	<u>\$ 35,404,909</u>	<u>\$ 33,869,762</u>	<u>\$ 30,680,179</u>
Total Governmental Funds	<u>\$ 41,565,551</u>	<u>\$ 41,103,421</u>	<u>\$ 30,136,615</u>	<u>\$ 29,522,383</u>	<u>\$ 33,135,168</u>	<u>\$ 35,863,368</u>	<u>\$ 35,776,117</u>	<u>\$ 41,107,654</u>	<u>\$ 39,168,786</u>	<u>\$ 35,785,457</u>

Sandy City
Changes in Fund Balances of Governmental Funds
Last Eight Fiscal Years Ended June 30
(Modified Accrual Basis of Accounting)

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Revenues								
Taxes	\$ 30,332,193	\$ 31,626,757	\$ 34,324,191	\$ 36,872,673	\$ 39,267,772	\$ 42,551,319	\$ 39,864,133	\$ 39,139,927
Special Assessments	395,235	994,215	988,511	904,929	345,358	351,841	352,505	324,601
Innkeeper Fees	167,963	178,730	194,291	231,569	268,062	309,467	309,967	332,317
Licenses and Permits	1,685,082	1,740,360	2,011,739	2,571,942	2,748,928	2,692,112	2,211,421	1,640,829
Inter-Governmental Revenue	3,993,322	4,449,925	3,974,374	5,202,115	5,342,008	8,337,754	9,189,553	8,531,708
Charges for Services	4,888,376	5,575,609	5,907,478	5,653,216	5,985,179	6,130,779	7,128,083	7,090,083
Administrative Charges	1,033,484	1,151,671	1,344,587	1,520,720	1,705,077	1,774,104	1,931,193	2,067,801
Fines & Forfeitures	2,352,612	2,661,801	2,587,126	2,615,913	3,070,564	2,939,116	2,938,223	2,712,266
Cell Tower Leases	131,356	138,426	153,555	160,432	123,977	171,149	170,459	169,523
Fees from Developers	595,913	223,197	611,407	2,069,176	1,398,039	1,256,316	982,877	358,813
Interest Income	873,327	410,214	709,067	1,472,455	2,104,221	1,872,279	949,655	335,580
Miscellaneous Revenues	850,933	720,761	1,555,347	2,132,228	809,866	1,500,977	567,331	1,110,224
Total Revenues	47,299,796	49,871,666	54,361,673	61,407,368	63,169,051	69,887,213	59,529,920	63,813,672
Expenditures								
General Government	7,120,587	7,271,840	7,616,861	8,019,303	8,280,534	9,131,780	8,782,313	8,720,439
Police & Animal Control	10,731,603	11,033,512	11,623,762	12,109,074	12,306,945	13,068,604	13,338,570	13,374,749
Fire	6,435,356	6,497,598	6,418,692	6,734,250	6,889,773	8,062,254	8,139,433	7,653,908
Public Works	4,691,872	4,990,014	4,773,677	5,111,617	5,311,469	7,705,849	5,630,273	5,631,198
Parks, Landscapes, and Cemetery	2,507,553	2,661,076	2,693,818	2,899,421	3,311,466	3,605,854	3,900,809	3,613,491
Community Development	2,010,190	2,029,435	2,037,419	2,293,498	2,400,364	2,538,091	2,496,381	2,517,420
Economic Development	894,759	1,033,553	1,342,373	2,505,894	1,775,785	16,682,595	901,072	931,740
Recreation and Cultural Events	1,478,515	1,329,247	1,483,375	1,514,284	1,936,972	2,205,304	2,202,290	2,243,145
Electric Utility	491,681	591,767	568,783	627,597	643,278	667,100	1,044,563	722,293
Storm Water Utility	887,804	1,096,292	1,201,137	1,097,871	1,284,352	1,667,288	1,630,536	1,384,627
Capital Outlays	17,473,410	8,207,410	3,926,828	8,166,646	13,094,816	35,162,622	24,100,489	19,707,318
Debt Service								
Principal	3,668,221	2,853,000	5,000,000	5,428,253	3,931,253	5,161,760	4,006,000	4,770,000
Interest	2,642,292	2,578,065	2,234,858	2,120,693	1,909,478	2,383,327	3,553,225	3,795,121
Other Charges	167,101	139,136	1,372,135	76,540	15,988	625,567	237,701	577,064
Total Expenditures	61,200,944	52,311,945	52,293,718	58,704,941	63,092,473	108,667,995	79,963,655	75,642,513
Excess of Revenues Over (Under) Expenditures	(13,901,148)	(2,440,279)	2,067,955	2,702,427	76,578	(38,780,782)	(20,433,735)	(11,828,841)
Other Financing Sources (Uses)								
Issuance of Debt	7,557,947	7,287,091	16,520,000	3,650,000	-0-	41,360,000	11,040,000	11,386,242
Redemption of Refunded Bonds	(5,140,703)	(5,525,000)	-0-	(3,670,000)	(3,251,000)	-0-	-0-	(4,180,000)
Bond Premium	-0-	-0-	857,599	90,798	-0-	282,793	-0-	357,751
Fees from Developers	-0-	210,003	-0-	-0-	-0-	-0-	-0-	-0-
Other Income	-0-	1,304	-0-	-0-	-0-	-0-	7,120	-0-
Sale of Capital Assets	245,418	2,649	12,231	104,975	2,967,323	1,865,544	281,145	221,360
Transfers In	9,736,065	8,466,823	10,295,916	12,085,439	13,521,390	14,829,125	12,125,475	11,642,322
Transfers Out	(9,953,203)	(8,616,823)	(10,445,916)	(12,235,439)	(13,571,390)	(14,829,125)	(12,024,353)	(10,982,163)
Total Other Financing Sources (Uses)	2,445,524	1,826,047	17,239,830	25,773	(333,677)	43,508,337	11,429,387	8,445,512
Net Changes in Fund Balances	\$ (11,455,624)	\$ (614,232)	\$ 19,307,785	\$ 2,728,200	\$ (257,099)	\$ 4,727,555	\$ (9,004,348)	\$ (3,383,329)
Debt Service as a Percentage of Noncapital Expenditures	14.3%	13.1%	15.0%	15.4%	11.9%	10.9%	10.9%	13.2%

Note: The City did not gather this information prior to the implementation of GASB Statement 34 in 2003. As such a ten year history is not available.

Sandy City
General Government Tax Revenues by Source
Last Ten Fiscal Years Ended June 30
(Modified Accrual Basis of Accounting)

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Motor Fuel Tax	Total
2001	\$ 5,737,847	\$ 14,773,043	\$ 4,435,823	\$ 721,930	\$ 25,668,643
2002	6,746,658	14,740,321	4,501,770	867,215	26,855,964
2003	6,778,104	14,569,744	4,299,404	918,730	26,565,982
2004	7,103,637	15,161,445	4,688,366	881,376	27,834,824
2005	7,082,393	15,857,517	6,284,131	818,905	30,042,946
2006	7,075,103	17,681,709	6,600,373	825,617	32,182,802
2007	7,185,286	19,286,918	7,091,234	824,486	34,387,924
2008	7,233,667	19,746,002	7,145,328	757,242	34,882,239
2009	7,184,088	17,109,760	7,382,659	740,318	32,416,825
2010	7,369,288	16,064,881	7,422,695	694,237	31,551,101

Source: Sandy City Finance Department

Sandy City

Water Fund Billed Sales and Monthly Rates

Last Ten Fiscal Years Ended June 30

Fiscal Year	Total Billed Sales	Sandy Rates		
		Water Base ¹	Water Overage ²	Fluoride ³
2001	\$ 10,798,859	\$ 12.64	\$ 1.10/0.70	\$ -0-
2002	12,850,841	13.51	1.48/0.82	-0-
2003	13,118,786	14.39	1.58/0.87	-0-
2004	14,306,571	15.33	1.68/0.93	-0-
2005	14,178,536	16.33	1.79/0.99	1.35
2006	17,208,159	17.39	1.91/1.05	1.35
2007	18,647,355	18.52	2.03/1.12	1.35
2008	20,528,524	19.72	2.16/1.20	0.80
2009	19,691,999	21.00	2.30/1.27	0.80
2010	17,615,641	22.37	2.45/1.36	0.80

Fiscal Year	Union Jordan Rates ⁴			Salt Lake County Rates ⁵		
	Water Base ¹	Water Overage ²	Fluoride ³	Water Base ¹	Water Overage ²	Fluoride ³
2001	\$ 13.73	\$ 1.10/0.70	\$ -0-	\$ 13.83	\$ 1.30/0.84	\$ -0-
2002	18.22	1.48/0.82	-0-	18.75	1.63/0.89	-0-
2003	19.40	1.58/0.87	-0-	19.97	1.74/0.95	-0-
2004	20.66	1.68/0.93	-0-	21.27	1.85/1.01	-0-
2005	22.00	1.79/0.99	1.35	22.65	1.97/1.08	1.35
2006	23.43	1.91/1.05	1.35	24.12	2.10/1.15	1.35
2007	24.96	2.03/1.12	1.35	25.69	2.23/1.22	1.35
2008	26.58	2.16/1.20	0.80	27.36	2.38/1.30	0.80
2009	28.31	2.30/1.27	0.80	29.14	2.53/1.38	0.80
2010	N/A	N/A	N/A	31.04	2.70/1.47	0.80

¹Water Base rates are based on a 3/4" meter, which is the standard size meter for most residences in Sandy.

²The first amount is the overage rate per 1,000 gallons (usage above 8,000 gallons) during peak season (May-September), and the second amount is the overage rate during the non-peak season (October - April).

³The City began charging fluoride during fiscal year 2005.

⁴The City provided water service to the Union Jordan (Midvale) area until it was exchanged to Midvale City on June 1, 2009.

⁵The City provides water services for some unincorporated Salt Lake County areas within the City.

Sandy City
Principal Water Users
June 30, 2010

Taxpayer	2010			2003		
	Annual Water Bill	Rank	Percentage of Total Water Operating Revenue	Annual Water Bill	Rank	Percentage of Total Water Operating Revenue
Sandy City	\$ 528,111	1	2.998%	\$ 352,382	2	2.549%
Jordan School District	513,200	2	2.913%	394,800	1	2.856%
FM Group	258,723	3	1.469%	167,917	3	1.215%
SSR Western Multi-family LLC	110,045	4	0.625%			
IHC Health Services	79,800	5	0.453%	37,708	8	0.273%
Quarry Bend HOA	74,324	6	0.422%			
Jordan Commons	72,462	7	0.411%	39,553	7	0.286%
Salt Lake County	59,649	8	0.339%	70,723	4	0.512%
Waterford School	55,199	9	0.313%	41,248	6	0.298%
Crescentwood Village	54,159	10	0.307%			
Promontory Point Apartments				42,947	5	0.311%
Archstone Communities				37,201	9	0.269%
Fair Meadows Apartments				36,085	10	0.261%
Totals	\$ 1,805,672		10.250%	\$ 1,220,564		8.830%

Source: Sandy City Finance Department

Sandy City

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years Ended June 30

Fiscal Year	Real Property		Personal Property		Mines & Utilities	Total Taxable Assessed Value	Total Direct Tax Rate ¹	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Primary Residential	Other Property	Non Residential	Other Property					
2001	\$ 2,504,550,719	\$ 988,221,885	\$ 172,532,176	\$ 9,785,370	\$ 127,041,282	\$ 3,802,131,432	0.001788	\$ 5,885,828,378	64.60%
2002	2,569,848,579	1,109,094,963	211,596,864	9,871,629	137,267,047	4,037,679,082	0.001960	6,161,254,606	65.53%
2003	2,736,492,162	1,116,677,816	216,897,300	9,455,672	114,450,137	4,193,973,087	0.001895	6,446,408,328	65.06%
2004	2,807,271,158	1,148,112,976	239,719,487	8,944,097	110,293,552	4,314,341,270	0.001890	6,635,180,654	65.02%
2005	2,944,551,884	1,200,902,970	230,145,834	7,376,833	99,646,666	4,482,624,187	0.001844	6,919,830,111	64.78%
2006	3,131,181,804	1,307,015,205	226,720,848	6,663,727	94,897,357	4,766,478,941	0.001757	7,349,103,358	64.86%
2007	3,596,375,124	1,621,628,690	246,526,132	6,165,738	97,311,677	5,568,007,361	0.001514	8,490,652,494	65.58%
2008	4,465,548,427	1,970,975,573	267,909,994	7,253,552	122,998,276	6,834,685,822	0.001252	10,433,398,227	65.51%
2009	4,728,106,187	2,228,315,771	290,039,374	7,097,872	101,356,149	7,354,915,353	0.001175	11,198,995,056	65.67%
2010	4,037,437,777	1,978,290,710	392,782,299	6,899,709	100,422,840	6,515,833,333	0.001356	10,029,836,144	64.96%

Source: Salt Lake County Auditor and Salt Lake County Treasurer

¹Property in the county is reassessed annually. Tax rates are per \$1 of assessed value.

Sandy City
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years Ended June 30

Fiscal Year	Sandy City				Overlapping ¹ Rates					Total Direct & Overlapping Rates
	General Fund	Debt Service	Risk Management	Total City Millage	Salt Lake County	Canyons School District ³	Jordan School District	Salt Lake County Library	Special Districts ²	
2001	0.001613	0.000075	0.000100	0.001788	0.002904	0.000000	0.008845	0.000583	0.001260	0.006535
2002	0.001790	0.000073	0.000097	0.001960	0.003025	0.000000	0.008424	0.000764	0.001390	0.007139
2003	0.001730	0.000071	0.000094	0.001895	0.002939	0.000000	0.008344	0.000744	0.001501	0.007079
2004	0.001725	0.000071	0.000094	0.001890	0.002868	0.000000	0.008366	0.000747	0.001728	0.007233
2005	0.001683	0.000069	0.000092	0.001844	0.002816	0.000000	0.008856	0.000733	0.001686	0.007079
2006	0.001603	0.000066	0.000088	0.001757	0.002682	0.000000	0.008655	0.000696	0.001751	0.015541
2007	0.001381	0.000057	0.000076	0.001514	0.002371	0.000000	0.007347	0.000617	0.001797	0.013646
2008	0.001142	0.000047	0.000063	0.001252	0.001994	0.000000	0.006617	0.000517	0.001551	0.005314
2009	0.001072	0.000044	0.000059	0.001175	0.001934	0.000000	0.006150	0.000492	0.001445	0.011196
2010	0.001237	0.000051	0.000068	0.001356	0.003466	0.005180	0.001400	0.000564	0.001730	0.012296

Source: Salt Lake County Recorder's Office

¹Overlapping rates are those of local and county governments that apply to property owners within Sandy City. Not all overlapping rates apply to all Sandy City property owners. The rates for special districts apply only to the proportion of the City's property owners whose property is located within the geographic boundaries of the special district.

²Includes South Salt Lake County Mosquito District, Salt Lake County Water District, Sandy Suburban Improvement District, and Central Utah Water District. Although other special districts apply to only a portion of the City, these districts apply to the majority of property values within the City.

³Canyons School District was created on July 1, 2009. Previously it was Jordan School District.

Sandy City
Principal Property Taxpayers
June 30, 2010

Taxpayer	2009			2000		
	Taxable Value	Rank	Percentage of Total Taxable Value	Taxable Value	Rank	Percentage of Total Taxable Value
Macerich Co.	\$ 142,391,400	1	1.94%	\$ 96,957,900	2	2.55%
Lawrence & Karen Miller	111,044,900	2	1.51%	99,338,400	1	2.61%
Ronald Raddon	94,729,647	3	1.29%			
The Boyer Company	48,658,600	4	0.66%	26,306,400	5	0.69%
Pacificorp	43,554,378	5	0.59%	25,646,873	6	0.67%
SSR Western Multifamily LLC	35,233,550	6	0.48%			
KBS South Towne, LLC	34,280,100	7	0.47%			
Magna Investment	32,997,700	8	0.45%	15,560,400	9	0.41%
Becton Dickinson & Company	31,011,300	9	0.42%			
Sandy INN, LLC	24,716,500	10	0.34%			
Qwest Communications				44,082,639	3	1.16%
Mariemont Corp.				17,368,400	8	0.46%
XO Communications				35,043,083	4	0.92%
Smith Food King				17,849,200	7	0.47%
Security Capital Pacific				15,533,856	10	0.41%
Totals	<u>\$ 598,618,075</u>		<u>8.14%</u>	<u>\$ 393,687,151</u>		<u>10.35%</u>

Note: Annual amounts are shown only for the top ten ranked taxpayers. Including the other amounts would skew the overall total and percentage for the top ten taxpayers.

Source: Utah State Tax Commission and the Salt Lake County Assessment Records

Sandy City
Property Tax Levies and Collections
Last Ten Fiscal Years Ended June 30

Fiscal Year	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2001	\$ 6,355,678	\$ 6,076,766	95.6%	\$ 211,487	\$ 6,288,253	98.9%
2002	7,371,920	7,077,655	96.0%	286,688	7,364,343	99.9%
2003	7,421,348	7,113,298	95.8%	299,693	7,412,991	99.9%
2004	7,629,366	7,372,650	96.6%	228,767	7,601,417	99.6%
2005	7,703,715	7,474,696	97.0%	184,512	7,659,208	99.4%
2006	7,771,552	7,543,432	97.1%	160,338	7,703,770	99.1%
2007	7,812,874	7,597,445	97.2%	156,485	7,753,930	99.2%
2008	8,556,640	8,279,797	96.8%	141,627	8,421,424	98.4%
2009	8,642,026	8,274,611	95.7%	193,788	8,468,399	95.7%
2010	8,835,470	8,493,541	96.1%	-0-	8,493,541	96.1%

Source: Sandy City Finance Department

Sandy City

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years Ended June 30

Fiscal Year	Governmental Activities						
	General Obligation Bonds	Revenue Bonds	Special Assessment Bonds	Tax Increment Bonds	Capital Leases	Contract Payable	Notes Payable
2001	\$ 6,615,000	\$ 6,615,000	\$ 6,615,000	\$ -0-	\$ 534,978	\$ -0-	\$ 2,225,000
2002	5,735,000	41,340,000	1,975,000	-0-	273,221	-0-	2,140,000
2003	5,255,000	37,315,000	7,131,000	-0-	345,300	-0-	2,045,000
2004	4,750,000	37,245,000	6,653,000	-0-	262,413	-0-	1,945,000
2005	4,225,000	34,340,000	6,018,000	-0-	177,262	2,516,267	1,835,000
2006	3,650,000	30,740,000	5,363,000	-0-	89,812	2,013,014	1,720,000
2007	3,050,000	28,305,000	1,844,000	-0-	-0-	1,509,760	1,595,000
2008	2,425,000	67,185,000	1,567,000	-0-	-0-	-0-	1,325,000
2009	1,770,000	64,120,000	1,281,000	11,040,000	-0-	-0-	1,325,000
2010	1,090,000	67,686,242	981,000	11,040,000	-0-	-0-	1,175,000

Fiscal Year	Business Activities		Total Primary Government	Percentage of Adjusted Gross Income ¹	Per Capita ¹
	Revenue Bonds	Contract Payable			
2001	\$ 8,335,000	\$ -0-	\$ 30,939,978	1.3%	\$ 350
2002	7,585,000	-0-	59,048,221	2.8%	658
2003	11,350,000	-0-	63,441,300	2.9%	679
2004	14,365,000	-0-	65,220,413	2.8%	704
2005	14,210,000	13,832,100	77,153,629	3.1%	834
2006	13,315,000	13,722,120	70,612,946	2.5%	751
2007	12,395,000	13,667,130	62,365,890	2.1%	653
2008	11,450,000	13,607,910	97,559,910	3.4%	1,015
2009	10,470,000	13,506,390	103,512,390	N/A	1,071
2010	9,503,758	13,303,350	104,779,350	N/A	1,078

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

¹See the Schedule of Demographic and Economic Statistics on page 142 for income and population data.

Sandy City
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years Ended June 30

Fiscal Year	General Obligation Bonds¹	Percentage of Estimated Actual Taxable Value of Property²	Per Capita³
2001	\$ 6,190,000	0.11%	70
2002	5,735,000	0.09%	64
2003	5,255,000	0.08%	56
2004	4,750,000	0.07%	51
2005	4,225,000	0.06%	46
2006	3,650,000	0.05%	39
2007	3,050,000	0.04%	32
2008	2,425,000	0.02%	25
2009	1,770,000	0.02%	18
2010	1,090,000	0.01%	11

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

¹There are no amounts available in the debt service fund to pay off general obligation bonds.

²See the schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 133 for property value data.

³Population data can be found in the schedule of Demographic and Economic Statistics on page 142.

Sandy City
Direct and Overlapping Governmental Activities Debt
As of June 30, 2010

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable³</u>	<u>Estimated Share of Overlapping Debt</u>
Overlapping Debt			
State of Utah	\$ 1,492,620,000	3.47%	\$ 51,787,452
CUWCD ¹	309,750,000	5.89%	18,239,153
Salt Lake County	259,800,000	8.85%	22,985,606
Jordan School District	293,015,000	21.61%	63,330,101
Sandy Suburban Improvement District	12,535,000	40.00%	5,014,000
Total Overlapping Debt	<u>\$ 2,367,720,000</u>		<u>\$ 161,356,312</u>
Total Overlapping Debt Less the State ²			<u>109,568,860</u>
Sandy City Total Direct Debt			<u>81,972,242</u>
Total Direct and Overlapping Debt			<u>\$ 191,541,102</u>

Source: Zions Bank Public Finance

¹Central Utah Water Conservancy District (CUWCD) outstanding general obligation bonds are limited ad valorem tax bonds. These bonds are the only limited ad valorem tax bonds in the state issued under the Water Conservancy Act. By law CUWCD may levy a tax rate of up to .04 percent to pay for operation and maintenance expenses and any outstanding limited ad valorem tax bonds.

²The state's general obligation debt is not included in overlapping debt because the state levies no property tax for the payment of general obligation bonds.

³Estimated percentage applicable is rounded to the nearest 100th percent.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

Sandy City
Legal Debt Margin Information
Last Ten Fiscal Years Ended June 30

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<u>Debt Limit</u>										
General (4% Fair Cash Value) ¹	\$ 235,433,135	\$ 246,450,184	\$ 257,856,333	\$ 265,407,226	\$ 276,793,204	\$ 293,964,135	\$ 339,626,100	\$ 417,335,929	\$ 447,959,802	\$ 401,193,446
Water & Sewer (4% Fair Cash Value) ¹	235,433,135	246,450,184	257,856,333	265,407,226	276,793,204	293,964,134	339,626,100	417,335,929	447,959,802	401,193,446
Total 8% Debt Limit	470,866,270	492,900,368	515,712,666	530,814,452	553,586,408	587,928,269	679,252,200	834,671,858	895,919,604	802,386,892
 Total Net Debt Applicable to Limit	 6,190,000	 5,735,000	 5,255,000	 4,750,000	 4,225,000	 3,650,000	 3,050,000	 2,425,000	 1,770,000	 1,090,000
 Legal Debt Margin	 <u>\$ 464,676,270</u>	 <u>\$ 487,165,368</u>	 <u>\$ 510,457,666</u>	 <u>\$ 526,064,452</u>	 <u>\$ 549,361,408</u>	 <u>\$ 584,278,269</u>	 <u>\$ 676,202,200</u>	 <u>\$ 832,246,858</u>	 <u>\$ 894,149,604</u>	 <u>\$ 801,296,892</u>
 Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	 1.315%	 1.164%	 1.019%	 0.895%	 0.763%	 0.621%	 0.449%	 0.291%	 0.198%	 0.136%

Legal Debt Margin Calculation for Fiscal Year 2010

Assessed Valuation:	
Primary Residential	\$ 4,121,680,640
All Other	2,394,152,693
Total Assessed Value	<u>\$ 6,515,833,333</u>
 Reasonable Fair Cash Value	 \$ 10,029,836,144
 Debt Limit (8% of Reasonable Fair Cash Value) ¹	 802,386,892
Debt Applicable to Limit:	
General Obligation Bonds	1,090,000
Less: Amount Set Aside for Repayment of General Obligation Debt	 -0-
Total Net Debt Applicable to Limit	<u>1,090,000</u>
Legal Debt Margin	<u><u>\$ 801,296,892</u></u>

Source: Salt Lake County Auditor's Office

¹The general obligation bonded debt of the City is limited by the Utah Constitution (Section 14, Paragraph 4) to 8% of the "reasonable fair cash value" of property. Of this percent, a maximum of 4% may be used for general purposes. The remaining 4% and any unused portion of the 4% available for general purposes up to the maximum 8% may be utilized for water and/or sewer purposes.

Sandy City
Pledged-Revenue Coverage
Last Ten Fiscal Years Ended June 30

Fiscal Year	Water Revenue Bonds						Sales Tax Revenue Bonds				
	Gross Operating Revenue	Less: Direct Operating Expenses	Net Available Revenue	Debt Service		Coverage	Sales Tax Revenue Collections	Debt Service		Coverage	
				Principal	Interest			Principal	Interest		
2001	\$ 11,330,559	\$ 6,240,341	\$ 5,090,218	\$ 705,000	\$ 457,423	4.38	\$ 14,773,043	\$ -0-	\$ -0-	-0-	
2002	13,412,729	6,969,192	6,443,537	750,000	415,638	5.53	14,740,321	-0-	-0-	-0-	
2003	14,935,903	10,172,883	4,763,020	785,000	377,637	4.10	14,569,744	480,000	589,290	13.63	
2004	15,546,223	10,194,711	5,351,512	825,000	485,435	4.08	15,161,445	700,000	732,130	10.59	
2005 ¹	15,572,878	12,508,458	3,064,420	-0-	405,900	7.55	15,857,517	3,165,000	1,565,293	3.35	
2006	19,647,097	14,926,004	4,721,093	735,000	372,338	4.26	17,681,709	3,010,000	1,398,140	4.01	
2007	20,840,144	16,391,342	4,448,802	755,000	353,713	4.01	19,286,918	1,945,000	1,324,021	5.90	
2008	22,417,262	15,900,086	6,517,176	775,000	334,103	5.88	19,746,002	1,685,000	1,264,928	6.69	
2009	34,486,444	17,190,001	17,296,443	800,000	311,931	15.56	17,109,760	1,770,000	1,204,271	5.75	
2010	18,814,990	7,903,408	10,911,582	825,000	287,041	9.81	16,064,881	1,855,000	1,215,647	5.23	

Fiscal Year	Special Assessment Bonds				Motor Fuel Excise Tax Revenue Bonds				Transient Tax Revenue Bonds			
	Special Assessment Collections	Debt Service		Coverage	B & C Road Fund Collections	Debt Service		Coverage	Transient Tax Revenue Collections	Debt Service		Coverage
		Principal	Interest			Principal	Interest			Principal	Interest	
2001	\$ 247,139	\$ 105,000	\$ 159,180	0.94	\$ 3,281,124	\$ 1,445,000	\$ 617,788	1.59	\$ -0-	\$ -0-	\$ -0-	-0-
2002	250,879	110,000	152,880	0.95	2,839,583	1,465,000	600,146	1.38	-0-	-0-	-0-	-0-
2003 ²	-0-	120,000	146,005	-0-	3,028,933	1,530,000	532,994	1.47	-0-	-0-	-0-	-0-
2004	991,015	478,000	287,560	1.29	3,240,291	1,600,000	461,489	1.57	-0-	-0-	-0-	-0-
2005	986,961	635,000	276,603	1.08	2,828,925	595,000	251,564	3.34	-0-	-0-	-0-	-0-
2006	904,549	655,000	256,864	0.99	3,475,548	620,000	221,814	4.13	-0-	-0-	-0-	-0-
2007	344,658	268,000	94,166	0.38	3,183,289	655,000	190,814	3.76	-0-	-0-	-0-	-0-
2008	351,841	277,000	83,678	0.39	3,271,347	965,000	350,995	2.49	2,710,280	-0-	683,200	3.97
2009	352,405	286,000	72,203	0.39	2,837,290	1,015,000	390,344	2.02	2,007,787	460,000	1,696,776	0.93
2010	324,601	300,000	59,825	0.90	2,856,981	1,420,000	338,325	1.62	1,903,278	550,000	1,672,132	0.86

Fiscal Year	Tax Increment Bonds			
	Tax Increment Collections	Debt Service		Coverage
		Principal	Interest	
2001	\$ -0-	\$ -0-	\$ -0-	-0-
2002	-0-	-0-	-0-	-0-
2003	-0-	-0-	-0-	-0-
2004	-0-	-0-	-0-	-0-
2005	-0-	-0-	-0-	-0-
2006	-0-	-0-	-0-	-0-
2007	-0-	-0-	-0-	-0-
2008	-0-	-0-	-0-	-0-
2009	-0-	-0-	238,967	-0-
2010	-0-	-0-	534,336	-0-

¹The total reduction in long term debt was \$8,055,000, of which \$7,560,000 represented defeasance of debt from bond refunding and \$495,000 represented a reduction in bond principal.

²The original bond was refunded with cash flow savings taken in the first and second year of refunding. Sufficient reserves existed to service debt. As such, no assessment was required as of year end. Additionally, two new SIDs were created with a payment date of December 15, 2003.

Sandy City
Demographic and Economic Statistics
Last Ten Fiscal Years Ended June 30

Fiscal Year	Population¹	Personal Income²	Per Capita Personal Income²	Adjusted Gross Income³	Per Capita Adjusted Gross Income³	Median Age⁴	Unemployment Rate⁵
2001	88,419	\$ 3,463,924,333	\$ 39,176	\$ 2,318,209,287	\$ 26,218	29.1	2.4%
2002	89,745	3,534,756,235	39,386.66	2,109,255,254	23,503	29.1	4.3%
2003	93,500	3,433,138,636	36,718.06	2,196,558,395	23,493	29.1	4.5%
2004	92,685	4,203,938,276	45,357.27	2,303,635,015	24,854	29.1	3.3%
2005 ⁷	92,500	N/A	N/A	2,529,506,622	27,346	29.1	3.2%
2006	94,000	4,144,605,882	44,091.55	2,793,473,152	29,718	29.1	2.8%
2007	95,449	4,554,880,000	47,720.56	3,013,003,979	31,567	29.1	1.7%
2008	96,074	4,378,313,855	45,572.31	2,845,824,902	29,621	29.1	1.9%
2009 ⁸	96,660	3,967,830,536	41,049.35	N/A	N/A	29.1	2.8%
2010 ^{7,8}	97,177	N/A	N/A	N/A	N/A	29.1	4.5%

Fiscal Year	High School or Less²	Some College/ Tech School²	Two-Year College Degree²	Bachelors Degree (4 yrs.)²	Grad. School/ beyond 4 yr.²	Refused to Answer²	School Enrollment⁶
2001	15%	25%	14%	26%	19%	1%	24,538
2002	15%	21%	10%	33%	19%	2%	23,959
2003	14%	25%	10%	31%	17%	3%	23,756
2004	12%	23%	13%	32%	18%	2%	23,143
2005 ⁷	N/A	N/A	N/A	N/A	N/A	N/A	22,570
2006	14%	20%	12%	31%	20%	3%	22,365
2007	13%	17%	10%	38%	21%	1%	21,634
2008	13%	19%	13%	31%	23%	1%	21,484
2009	14%	25%	12%	28%	21%	0%	20,912
2010 ⁷	N/A	N/A	N/A	N/A	N/A	N/A	20,618

¹Source: Sandy City Planning Division

²Source: Estimated using information received from the Dan Jones Survey

³Source: Utah State Tax Commission (Based on a calendar year)

⁴Source: Census Bureau (Based on 1990 and 2000 census)

⁵Source: The United States Bureau of Labor Statistics

⁶Source: Jordan School District/Canyons School District

⁷No Dan Jones Survey was conducted during fiscal years 2005 or 2010.

⁸Information from the Utah State Tax Commission was unavailable at the time of this report.

Sandy City
Principal Employers
Current Year and Prior Year

Employer	2010			2009		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Becton Dickinson	1,092	1	2.01%	1,092	1	2.01%
ACS Business Solutions	633	2	1.16%	633	2	1.16%
Sandy City Corporation	518	3	0.95%	493	3	0.91%
E Trade Financial	357	4	0.66%	338	6	0.62%
Harman Music Group Inc	355	5	0.65%	355	5	0.65%
Alta View Hospital	332	6	0.61%	332	7	0.61%
Workers Compensation Fund	320	7	0.59%			
Macey's Grocery Store	272	8	0.50%	272	10	0.50%
WalMart	270	9	0.50%	400	4	0.74%
UCN Inc/INCONTACT	240	10	0.44%	314	8	0.58%
Aetna Behavioral Health				283	9	0.52%
Total	4,389		8.07%	4,512		8.30%

Note: Annual amounts are shown only for the top ten principal employers. Including the other amounts would skew the overall total and percentage for the top ten principal employers.

Source: Sandy City Business License Division and The United States Bureau of Labor Statistics

Sandy City
Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years Ended June 30

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Government										
Mayor	3.5	3.5	3.5	3.5	3.5	3.5	3.3	3.8	3.3	3.3
City Administrator	17.0	18.0	19.8	19.8	19.8	20.0	21.0	20.6	22.0	24.0
City Council	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
City Attorney	8.6	8.6	8.0	8.0	8.6	9.6	10.4	9.6	10.0	10.0
Court Services	9.6	8.6	11.6	10.6	12.6	14.6	15.0	15.6	15.0	18.0
Finance & Information Services	24.3	24.3	26.4	27.4	27.4	28.4	29.6	29.9	30.0	31.0
Economic Development	0.9	2.4	2.4	1.9	2.9	2.9	2.9	2.7	3.8	4.0
Non-Departmental	1.5	1.0	1.8	1.8	1.8	1.8	2.8	2.8	2.5	2.8
Public Safety										
Police	108.6	113.1	116.6	116.1	116.6	140.6	138.0	142.6	144.0	147.0
Fire	64.0	75.0	79.0	76.0	77.0	77.0	75.0	78.0	69.0	75.0
Animal Services	6.0	6.0	6.0	5.0	8.0	8.0	8.0	8.0	7.0	9.0
Public Works	46.3	47.3	48.3	48.3	52.3	52.3	53.3	55.3	50.3	54.3
Parks & Recreation	21.8	24.3	25.3	27.3	28.8	29.3	31.0	31.1	30.0	35.0
Alta Canyon Sports Center	1.8	2.8	5.0	6.0	6.0	7.0	7.0	6.8	7.0	7.0
River Oaks Golf Course	-0-	6.0	6.0	6.0	5.0	5.0	6.0	6.0	6.0	6.0
Community Events/ Sandy Arts Guild	2.0	2.0	2.0	3.0	3.0	3.0	4.0	5.0	4.0	4.0
Community Development	25.5	26.5	26.5	26.4	27.4	27.4	26.8	27.5	25.7	25.7
Utilities										
Water	31.7	35.7	37.2	37.2	39.2	40.2	39.4	39.2	36.2	39.9
Storm Water	7.2	9.2	10.2	11.2	12.2	13.2	13.4	15.2	14.7	16.2
Electric	1.2	1.2	2.2	3.2	3.2	3.2	3.2	3.2	3.2	3.0
Total	384.5	418.5	440.8	441.7	458.3	490.0	493.1	505.9	486.7	518.2

Source: Sandy City Payroll Division

Sandy City
Operating Indicators by Function
Last Ten Fiscal Years Ended June 30

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Police										
Physical Arrests	3,984	4,175	4,420	4,339	3,980	4,253	4,374	4,700	4,474	4,239
Nonmoving Traffic Citations	1,690	1,834	888	1,742	1,928	4,165	4,130	4,469	4,344	4,370
Moving Traffic Citations	16,829	17,211	19,237	19,877	17,387	17,280	20,136	16,286	16,154	16,661
Fire										
Number of fire calls answered	1,601	1,811	2,184	2,063	1,558	1,845	1,661	1,637	1,865	1,670
Number of medical calls answered	3,101	3,501	3,559	3,502	4,075	3,842	3,542	4,502	5,202	5,011
Public Works										
Street resurfacing (miles)										
Overlays	6.31	8.26	8.43	4.65	1.67	2.87	3.52	4.24	2.55	2.99
Slurry	43.62	28.70	29.55	34.87	38.87	40.96	39.50	45.37	31.84	42.52
Potholes repaired	1,017	697	660	916	357	251	360	863	1,224	498
Sanitation										
Number of Garbage Cans per month	29,622	30,319	30,449	30,463	30,509	30,938	31,294	31,500	31,486	31,402
Number of Recycle Cans per month	22,199	22,778	23,011	23,166	23,202	23,413	23,576	23,659	23,716	23,750
Parks, recreation, and cemetery										
Number of program participants	18,083	19,107	19,870	13,650	14,315	15,154	15,281	17,447	18,284	18,323
Cemetery plots sold	53	31	43	26	52	84	62	66	71	43
Alta Canyon ¹										
Members	N/A	N/A	2,198	1,988	1,734	1,045	1,100	1,100	1,386	1,012
Class participants	N/A	N/A	86,091	99,133	96,236	87,718	92,704	98,933	96,656	71,278
Golf ²										
Number of 18 hole rounds played	N/A	N/A	6,216	14,324	15,481	14,121	16,564	16,309	16,890	14,583
Number of 9 hole rounds played	N/A	N/A	11,375	24,471	26,335	28,328	30,512	29,276	29,807	23,216
Number of tournaments	N/A	N/A	5	21	28	24	50	59	86	51
Sandy Arts Guild ³										
Number of tickets sold	N/A	N/A	N/A	N/A	29,634	22,500	30,612	32,899	31,670	32,895
Number of shows	12	12	8	10	13	13	15	25	23	40
Water										
New connections	231	220	159	185	220	375	382	332	120	70
Water main breaks	61	74	57	64	57	86	61	63	74	61
Average daily consumption (gallons)	29,055,890	29,055,890	23,033,589	21,493,638	21,688,435	25,607,989	26,170,833	24,805,833	22,984,167	21,774,167

¹Alta Canyon Sports Center came under Sandy City's management on July 1, 2002.

²The River Oaks Golf Course was purchased on June 28, 2002.

³The Sandy Arts Guild opened on January 1, 2000, however, ticket sales information was not available prior to 2005 for Sandy Arts Guild (formally Sandy Amphitheater).

Source: Various City Departments

Sandy City
Capital Asset Statistics by Function
Last Ten Fiscal Years Ended June 30

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Substations	5	4	4	4	3	3	4	4	4	4
Vehicles and Motorcycles	N/A	N/A	N/A	N/A	N/A	135	137	144	149	154
Fire										
Fire Stations	4	5	5	5	5	5	5	5	5	5
Transport Fire Engines	-0-	4	4	4	4	4	7	7	7	7
Ladder Truck 100'	1	1	1	1	1	1	1	1	1	1
Telesquirt 50'	1	1	1	1	1	1	1	1	1	1
Ambulance	-0-	2	2	2	2	2	2	2	3	4
Public Works										
Streets (road miles)	287	289	291	301	304	305	306	303	303	304
Traffic Signals	24	26	27	29	30	30	34	34	35	36
Streetlights	N/A	N/A	N/A	N/A	N/A	6,740	6,822	7,074	7,130	7,404
Culture and Recreation										
Parks Acreage	211	213	219	220	220	232	251	299	301	310
Parks	30	30	30	30	31	31	23	25	27	29
Swimming Pools	-0-	-0-	1	1	1	1	1	1	1	1
Tennis Courts	27	27	30	30	30	30	30	30	30	30
18-Hole Golf Course	N/A	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	446	446	452	477	443	443	447	452	418	419
Fire Hydrants	N/A	N/A	N/A	N/A	N/A	4,426	4,849	4,495	4,218	4,790
Maximum Daily Capacity (millions of gallons per day)	61.956	61.956	61.956	67.886	73.646	73.976	131.376	138.987	151.376	156.376
Storm Water Drains (miles)	N/A	N/A	N/A	N/A	N/A	152	172	179	180	180

Source: Various City Departments